

COLLECTIVE AGREEMENT

between

**ATOMIC ENERGY OF CANADA LIMITED
ÉNERGIE ATOMIQUE DU CANADA LIMITÉE
FORMER AECL CANDU**

and

**THE SOCIETY OF PROFESSIONAL ENGINEERS
AND ASSOCIATES**

for the period of

**2003 January 01 to 2005 December 31
Sheridan Park
Mississauga, Ontario**

The name of your SPEA Area Representative is:

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COLLECTIVE AGREEMENT

between

**ATOMIC ENERGY OF CANADA LIMITED
ÉNERGIE ATOMIQUE DU CANADA LIMITÉE
FORMER AECL CANDU**

a company incorporated pursuant to the
laws of Canada, hereinafter
called "the Company"

and

**THE SOCIETY OF PROFESSIONAL ENGINEERS
AND ASSOCIATES**

hereinafter called "the Society"

GENERAL PURPOSE

This Agreement sets forth the terms and conditions of employment and related matters, agreed by the Company and the Society through collective bargaining, which must be observed by the Company, the Society and members of the Bargaining Unit.

The Company and the Society will endeavour:

- to promote a harmonious and mutually beneficial relationship;
- to enhance the morale, productivity and effectiveness of professional employees in the performance of their duties to the end that the people of Canada will be well and effectively served by an efficient and successful enterprise;
- to maintain professional standards; and
- to settle all differences in an amicable, equitable and expeditious manner as herein provided.

This Agreement was negotiated in English. The French translation has been accepted by both parties for information purposes. In the event of a conflict in interpretation, recourse will be had to the English.

ARTICLE 1 - RECOGNITION

1.01 General

The Company recognizes the Society as the exclusive bargaining agent for a unit comprising all persons employed as professional employees by the Company located or working in Canada who report to or are under the supervision, direction and administration of Atomic Energy of Canada Limited, former AECL CANDU including professional engineers, scientists, librarians, and public affairs personnel, excluding those persons located and working at the Company's Heavy Water plants, and excluding: all persons at or above the rank of Branch Manager; Assistants to Vice-Presidents; project directors; persons employed as professional employees in: Business Planning; Finance; and Human Resources.

1.02 Computer Services Employees

Professional employees in the Computer Services Department will be included within the Bargaining Unit provided their work is non-confidential in nature.

1.03 Heavy Water Operations

Professional employees working in Mississauga or Montreal on heavy water technology or in support of the Heavy Water plants will be included in the Bargaining Unit.

1.04 Jurisdictional Disputes

- (a) Where the Company has excluded a position from the Bargaining Unit because it considers the position to be at or above the Branch Manager level or confidential in a labour relations sense, and the Society considers that the position is not confidential or is not at the Branch Manager or above level or should properly be included in the Bargaining Unit, the Society may challenge the exclusion by filing a grievance in accordance with Article 9.07. Should this not resolve the dispute, the Society may submit the matter to arbitration before a single arbitrator in accordance with Article 10.
- (b) Should compelling circumstances arise where the Company identifies a need for exclusion of individuals in positions where exclusions were previously limited (e.g. one (1) Engineering Manager per project), the Company will discuss such circumstances with the Society. This will not preclude the Society from challenging such additional exclusions under this procedure.

- (c) In the event such a dispute proceeds to arbitration, the arbitrator may have reference to some or all of the following criteria in reaching a decision. It is recognized by the parties that though such criteria may be helpful to the arbitrator, such criteria are intended as guidelines only, and each situation will depend upon its own facts. Thus the arbitrator is empowered to consider all evidence and law the arbitrator considers relevant to the issue, and is not bound to consider only the following criteria, and the arbitrator may consider such other criteria that the arbitrator feels relevant, or the parties may submit. The arbitrator shall have all the power of an arbitrator pursuant to the provisions of the Canada Labour Code, Section 60.

In making a determination the arbitrator may consider the following:

- (i) decisions of Canada Industrial Relations Board in relation to confidential and managerial exclusions:
- (ii) the authority of the employee in relation to:
- dismissal, promotion, demotion or transfer;
 - disciplining, hiring and evaluating employees;
 - the planning and decision-making of the Company in terms of job priorities and assignment of work;
 - committing the Company to expenditure on equipment, person-hours, expense accounts, etc.;
 - establishing and administering budgets;
- (iii) the involvement of the employee in the policy-making process of the Company;
- (iv) the amount of time, as well as the intensity, in which the employee is alleged to perform managerial functions;
- (v) the extent to which the employee uses confidential information relating to industrial relations in the performance of the employee's work.
- (d) The following principles are agreed:
- (i) positions to which agreed exclusions report shall not be subject to jurisdictional dispute;

- (ii) in jurisdictional disputes resolved in the Society's favour, the Company will be subject to the payment of dues on the employee's behalf from the first full calendar month following the Society's recorded challenge against the exclusion to the point when the employee becomes liable for dues payment as a result of transfer into the Bargaining Unit.
- (e) Any person included in the Bargaining Unit as the result of a jurisdictional dispute will continue to receive the same salary, taking into account the relative timing of salary adjustments in the respective pay plans, and will be eligible for future salary increases on the same basis as other members of the Bargaining Unit.

Dues deduction will commence in the calendar month after inclusion in the Unit.

1.05 Employees on Attachment Within Canada

- (a) Bargaining Unit members seconded or attached on a temporary basis to other organizations within Canada will be included in the Bargaining Unit so long as they remain employees of the Company.
- (b) Eligible professional employees hired into, and Bargaining Unit members transferred to, another AECL business unit (other than former AECL Research), subsidiary, partnership, joint undertaking, or other related organization(s), where such business unit, subsidiary, partnership, undertaking or organizations(s) is involved in the provision of engineering services, or the design, analysis, marketing, licensing, construction, commissioning, decommissioning or operation of nuclear power reactors, or technical support thereto, will be included in the Bargaining Unit so long as they remain employees (under the supervision, direction or administration) of AECL or a subsidiary.

1.06 Temporary Exclusion

Employees temporarily excluded from the Bargaining Unit on managerial or confidential grounds will have their salary reviewed upon leaving from and returning to the Bargaining Unit with a view to ensuring no loss of income, for reasons other than performance, due to the temporary exclusion.

1.07 Definition

For the purpose of this Agreement a professional employee is defined as a person who is, in the course of employment, engaged in the application of specialized

knowledge ordinarily acquired by a course of instruction and study resulting in honours graduation from a university of recognized standing, and:

- (a) is eligible to be a member of a professional organization authorized by statute to establish qualifications for membership in that organization;
- or
- (b) is an honours (or better) graduate from a university of recognized standing.

The parties are agreed that this definition will not operate to exclude any existing Bargaining Unit member, other than cases of reduced capacity.

ARTICLE 2 - LEGISLATION

2.01 General

Should any provision of this Agreement be alleged by either party to be in conflict with any governing legislation, then the parties shall meet to attempt to arrive at a satisfactory settlement of the provision in conformity with the legislation. Should a satisfactory settlement not be reached, and the Company acts on its interpretation, the dispute may be resolved through the grievance and arbitration procedures of this Agreement. The remaining provisions of the Collective Agreement shall continue to be operative and binding on both parties.

2.02 No Discrimination

There shall be no discrimination against any employee on the grounds of race, national or ethnic origin, colour, religion, age, sex, marital status, family status, sexual orientation, disability or conviction for which a pardon has been granted.

ARTICLE 3 - MANAGEMENT RIGHTS

3.01 General

The Society acknowledges that it is the exclusive responsibility of the Company, subject to the provisions of this Agreement, to:

- (a) administer an effective and efficient organization, and to this end to make and alter from time to time reasonable rules and regulations to be observed by the employees;
- (b) hire, discharge, transfer, promote, demote, suspend, lay-off or discipline employees provided that a claim of discriminatory promotion, transfer or lay-

off, or claim that an employee has been discharged, demoted, suspended or disciplined without just cause, may (subject to 9.01 (c)) be the subject of a grievance and dealt with as hereinafter provided;

- (c) manage the enterprise in which the Company is engaged, and without restricting the generality of the foregoing, to program and schedule the work to be done, to determine staffing and facilities, and the methods, systems and processes to be used.

3.02 Existing Practices or Privileges

The Company will not change without prior discussion with the Society, where this is practicable, existing practices or privileges falling within Company policy which are not specifically dealt with in this Agreement (other than in 3.01 above).

3.03 Policies & Procedures

- (a) The Company will forward to the Society a copy of all EC Policies and Procedures affecting working conditions, and amendments thereto, immediately they are issued. The Company shall not alter existing EC Policies and Procedures insofar as they are referenced and have effect in this Agreement unless agreed to by the Society. Agreement by the Society shall constitute an amendment to the Agreement.
- (b) New EC Policies and Procedures that may affect working conditions will be discussed with the Society in advance of publication, where this is practicable.

ARTICLE 4 - NO STRIKE OR LOCKOUT

4.01 General

During the period of this Agreement there shall be no strikes, walk-outs, lockouts, slow-downs, work stoppages or similar work interruptions.

4.02 Crossing a Picket Line

In the circumstances of a strike by another union the Company will not expect an employee to cross a picket line if to do so would place the employee's life, limb or personal property in jeopardy.

ARTICLE 5 - EMPLOYMENT EQUITY

5.01 General

The Company shall take positive measures to promote equal opportunity objectives and implement programs to correct any existing inequalities for designated groups within the Company. The designated groups are those defined in the Federal Employment Equity Act.

This shall not, however, act to bar any positive measures intended to achieve equal opportunity or to address existing inequalities.

5.02 Employment Equity Committee

- (a) The Company shall establish an Employment Equity Committee with representation from SPEA and other employee groups, with employee members of the Committee having the following rights:
 - (i) to request, receive, and publish data aggregated on a non-individual basis;
 - (ii) to initiate committee inquiries and investigations into specific issues, subject, where appropriate, to the agreement of the individual concerned;
 - (iii) to propose changes in Company policies and procedures to remedy potential barriers and improve equal employment opportunities.
- (b) The Committee will attempt to facilitate but may not act to limit the exercise of the above rights by representatives of individual employee groups on the Committee.

ARTICLE 6 - SOCIETY ACTIVITY

6.01 General

- (a) The Company acknowledges that from time to time it will be necessary for employees serving on the Society Executive or as Area Representatives to leave their work in order to perform functions provided for in this Agreement on behalf of the Society. Such employees will not leave their duties without the concurrence of their supervision.

- (b) In accordance with the above understanding, the Company will compensate Society Officers and Area Representatives for such time spent to a reasonable amount of time in any week at the regular rate of pay, but this will not apply to time spent on such matters outside of their regular work hours nor to time spent in connection with arbitration, (except as provided in (c) below) or conciliation proceedings.
- (c) The Company will similarly compensate a maximum of two (2) employees per day who attend an arbitration as Society witnesses.
- (d) Occasional small meetings of Society representatives will be permitted on Company premises provided that authorization is obtained in advance from the Human Resources Manager or designate and the meetings are so arranged and conducted as to not interfere with the work of the Company.

6.02 Leave for Attending Society-Related Conferences and Conventions

The Company will provide up to eight (8) person days leave for the purpose of attending related conferences and conventions, subject to operational requirements, per Agreement year; the first four (4) days at full pay, the next four (4) days at half pay or six (6) days at full pay. All requests for such leave must be made by an Officer of the Society to the employee's Manager; and the Human Resources Manager, Sheridan Park or designate.

6.03 Leave Without Pay for Society-Related Business

Leave of absence without pay, to a reasonable extent each year (exclusive of conciliation and arbitration proceedings) and work conditions permitting, shall be made available to the Society for the purpose of permitting its representatives to attend to Society-related business, other than as provided for herein. Requests for such leave must be made through an Officer of the Society (normally the Secretary) to the employee's Manager and the Human Resources Manager.

6.04 Negotiations Preparations

Leave of absence without pay, to a reasonable extent and work conditions permitting, will be made available to Society representatives in advance of negotiations to permit preparations for that purpose.

6.05 Work-Related Conflicts

The parties recognize that attending to Society activity can result in significant time away from the job for some individuals serving on the Society Executive. The employees and their manager should discuss this in relation to ongoing work requirements. Where either party perceives a problem the Company and Society will meet to resolve it in accordance with the requirements of the workplace and of the Canada Labour Code.

ARTICLE 7 – NOTIFICATIONS

All official notifications to the Society for any of the following will be in writing. The written notifications will be followed by an electronic version in appropriate format.

7.01 Additions/Deletions, Organization Charts, Seniority

- (a) Each month, the Company will provide to the Society's Secretary a written list and/or an electronic list of all additions to and deletions from the Bargaining Unit, normally by the tenth (10th) of the month following.
- (b) The Company shall provide the Society with a hard copy of its Management Organization Chart whenever it is issued and twice a year, in the first week of January and the first week of September.
- (c) The Company shall provide the Society with a hard copy and an electronic copy of Departmental Organization Charts once a year in the first week of September and upon request.
- (d) The Company shall provide the Society with the current Bargaining Unit seniority list in an appropriate electronic format upon request and up to four (4) times a year on a quarterly basis. The seniority list shall include the name, employee number and seniority in the bargaining unit.
- (e) The Company will provide the Society with a list of names of individuals filling management and confidential positions in February, May, August, and November each year.
- (f) The Company shall provide an electronic copy of the new Collective Agreement to the Society.
- (g) The Company shall provide the Society with the current list of Bargaining Unit Member Information in an appropriate electronic format upon request and at least twice yearly in the month of January and in the month of August. This

Bargaining Unit Member Information list shall include the name, employee number, current PG Grade, current salary, date of last promotion, current Skill category, current job title, current organizational unit, and employee class.

7.02 General Notices, Competitions, EC's

The Company will provide to the Society's Secretary, a copy of all competition postings, and EC Policies, Procedures and Operating Instructions and amendments thereto, at the time they are issued.

The Company will provide to the Society's Secretary and Montreal Member-at-Large, a copy of all AECL and former AECL CANDU notices, and Company-wide correspondence to employees, at the time they are issued unless distribution is limited to Managers.

7.03 Layoff, Demotion, Suspension

In cases of suspension, the Company shall notify in writing the employee affected, as well as the Society President or designate and if unavailable, any member at large in that order, and the reason for such action. Such notification shall normally take place within one (1) day of notification to the employee.

In cases of lay off or demotion, the Company shall notify in writing the Society President or designate, as well as the employee affected, of the action taken and the reason for such action. Such notification shall take place in advance of the notification to the employee.

7.04 Information to New Employees

The Company will give each new employee a copy of the Collective Agreement and the name of the appropriate Society Representative, to the extent that the Society keeps the Company informed of the name(s) of such Representatives.

7.05 Notice Boards

The Company will provide space on its notice boards for the use of the Society.

7.06 List of Society Executive & Area Representatives

The Society will provide to the Company an up-to-date list of the Society Executive and Area Representatives.

ARTICLE 8 - COMPANY - SOCIETY COOPERATIVE COMMITTEE

8.01 Particulars

- (a) The Company and the Society will participate in a Joint Cooperative Committee. Society representation shall consist of a maximum of five (5) members.
- (b) The first Monday in the months of February, April, June, August, October, and December are to be set aside as preferred dates for such meetings and 2:00 p.m. the preferred time.
- (c) The agenda will be prepared one (1) week in advance of each meeting.
- (d) The Company will provide draft minutes of the Joint Cooperative Committee Meeting within two (2) weeks of the meeting. Draft minutes will be issued to the SPEA Secretary. The Company will be responsible for the preparation of minutes, which must be agreed to by both parties, and which will be issued within one (1) week of their acceptance by the parties.

8.02 Subject Matter

The Committee shall give consideration to matters of mutual interest including, but not limited to:

- new and revised rules, regulations, policies and procedures which affect members of the Bargaining Unit.
- items affecting working conditions, facilities, and equipment.
- general communications regarding events, and Company and Society objectives.
- the implications and effects of any proposed work methods and techniques on Bargaining Unit members.
- general discussion on the workload situation of the Company, which includes reports on various projects.

8.03 Office Space

With reference to working conditions and facilities, it is agreed that the Company will provide seven and one quarter (7 1/4) square meters as a minimum office space to employees. The Company will consult with the Society and obtain its concurrence when deviations from this minimum are called for.

ARTICLE 9 - GRIEVANCES

The purpose of this Article is to provide prompt and equitable resolution of disputes that may arise between an employee(s) and the Company, or between the Society and the Company.

The intent of the Grievance Procedure is to resolve problems, not to attribute blame or fault, either to the employee or the manager concerned.

9.01 Definition of Employee Grievance

An employee grievance is defined as a dispute or controversy between the Company and one (1) or more employees which arises from:

- (a) the interpretation, application, administration or alleged violation of the provisions of this Agreement; or
- (b) alleged abuse of discretion by management in its treatment of employees with respect to matters provided in this Agreement; or
- (c) discharge or disciplinary action without just cause excepting:
 - (i) discharge for reasons of national security;
 - (ii) discharge of an employee whose performance is not up to expectations and who has not completed three (3) months of service;
 - (iii) discharge of term employees in accordance with the terms of their contract and the provisions of the Collective Agreement as limited by Article 24.

9.02 General Grievance Regulations

- (a) All Grievance and Arbitration time limits are expressed in "working days".
- (b) Either party may request a more specific statement of a Grievance or of a reply if the statement or reply does not clearly and sufficiently state the problem or the reasons.

- (c) If a Grievance is not resolved at the Complaint or Fact-Finding stage, a written statement of the Grievance will be submitted in duplicate on standard grievance forms. Duplicate copies of Grievance originals shall remain attached during processing of the Grievance; after final disposition of the Grievance, the Company and the Society shall each have a copy of the Grievance forms for each step.
- (d) Notice of a Grievance is provided either by submission of a written request for Fact-Finding (per 9.03 (b)), or the filing of a written statement of Grievance (whichever occurs first).
- (e) A complaint should be discussed or notice of a Grievance submitted as soon as possible. Any Grievance for which notice is not provided within fifteen (15) days after the Grievor knew or ought to have known of the occurrence which is the basis of the grievance, shall be deemed to have been waived and shall not be considered.
- (f) Further to (e), failure by either party to comply with any time limit shall advance the Grievance to the next stage. Failure to meet the time limit at the final stage or in electing for Arbitration shall result in the Grievance succeeding where the onus is on the Company, or the Grievance being deemed as settled where onus is on the Society.
- (g) Any time limit applicable to the Grievance Procedure may be extended by mutual agreement of the Society and the Company. Such requests shall not be unreasonably denied.
- (h) The Company agrees that parties to or witnesses to a Grievance will be granted a reasonable amount of time off with pay to prepare for and attend the Grievance proceedings provided for herein. Requests for time off will be made, in advance, to the Human Resources Manager.
- (i) At any stage of the Grievance proceedings, either party on request shall provide copies of documents or data relevant to both the Grievance and the Grievor specifically requested by the other. Where the document or data is held in an employee's file, the consent of the employee is required before the document or data is made available to the Society.
- (j) Complaints Potentially Outside the Agreement

A dispute or controversy between the Company and one or more employees or the Society, which is considered by one party not to be a valid Grievance as defined in Article 9.01, will be discussed and handled using the

procedures prescribed below, leaving the issue of validity to be decided, if necessary, by the Arbitrator.

9.03 Normal Employee Grievance Procedure

Except in cases of claimed wrongful discharge or improper lay-off, the Grievance Procedure shall be as follows:

(a) Discussion of Complaint

Every effort should be made to resolve a dispute or controversy without having to proceed on to the more formal steps described below. To this end, employees, with or without the presence of a Society representative, should attempt to resolve their complaint with their Manager. If the employee does not request the presence of a Society representative at the time, and subsequently wishes to proceed with the Grievance, a Society representative may discuss the matter with the employee's Manager before proceeding to the next step.

(b) Fact-Finding

- (i) Fact-Finding is initiated by a written notice to the employee's Manager by a Society representative (normally the employee's Area Representative) specifying the existence of a potential grievance, and requesting a meeting. A brief outline of the problem or dispute will also be provided on the notice.

Alternatively, the Society may opt at this point to submit a standard grievance form, with a full outline of the complaint and remedy requested (as per (iv) below). In this case, the Company shall have the option of requesting Fact-Finding, or going directly to a Step 1 hearing, as provided for in (c) below.

- (ii) Within four (4) days of notification, a Fact-Finding Hearing shall be held, with participation by the employee(s) concerned, the Area Representative and the Manager. The purpose of the Hearing is to allow both sides to ascertain the facts underlying the dispute or controversy and arrive at a mutually acceptable resolution if possible. Representatives from the Society Grievance Committee and Human Resources may attend to facilitate the discussion. If requested by the employee, the Area Representative will present the employee's side of the dispute.
- (iii) If the dispute has not been satisfactorily resolved within six (6) days of the Fact-Finding Hearing, the Society may submit the dispute as a formal Grievance at Step 1.

This is done by filing a standard grievance form, or if one has already been submitted, by submitting a written request to proceed to Step 1 to the employee's Manager.

- (iv) The Grievance Statement shall be in duplicate on a standard grievance form and should include the date of the events giving rise to the Grievance, the names of any persons involved, the nature of the Grievance, the Article of the Agreement allegedly violated, other relevant facts and remedial action requested. The grievance forms shall be signed by the employee and the Society representative, and then presented to the employee's Manager.

(c) **Step 1**

- (i) Within four (4) days of receipt of a formal Grievance or a request to proceed to Step 1, a Hearing shall be held on the Grievance. If the parties have proceeded directly to Step 1 without holding a Fact-Finding Hearing, the time limit for the Step 1 Hearing is increased to six (6) days.
- (ii) After the Step 1 Hearing, the Company representative shall write the Company's decision on, sign and return the Grievance forms to the Society within five (5) further days.
- (iii) Within five (5) days after the Society representative has received the Company response, the Grievance forms shall be returned to the Company marked either as satisfactory, in which case the Grievance is considered settled, or unsatisfactory, in which case it shall be processed to Step 2.

(d) **Step 2**

- (i) When a Grievance is processed to Step 2, a Company-Society meeting shall be held within four (4) days. If requested by the Company, the Society will submit in writing prior to the meeting the reasons why the Society considers the Company response at Step 1 to be unsatisfactory.
- (ii) The Society will be represented by the Society Officers. The aggrieved employee may attend if desired.
- (iii) If mutually agreed, the parties may have an agreed third party (the "Assessor") attend the Step 2 meeting to hear the cases presented by each side, and render an opinion or recommendation on the matters in dispute. This opinion or recommendation shall be

considered by each party prior to making its response, if time limits permit. The Assessor may ask questions at the meeting, may request and shall receive any information the Assessor considers pertinent to the dispute, and may meet with the parties separately to resolve the dispute.

An opinion or recommendation shall be rendered by the Assessor within five (5) days of the Hearing.

- (iv) Within five (5) days of the Step 2 meeting, or five (5) days of the date by which the Assessor's recommendation was to be rendered, the Company shall provide the Society with its decision in writing on the dispute. If the Company response is returned marked as satisfactory, or if no response is made by the Society within a further ten (10) days, the Grievance shall be considered settled.

9.04 Discharge Grievance Procedure

- (a) Where the Company determines that an employee is liable to be discharged for just cause, the employee will have the opportunity to be accompanied by a representative of the Society, as an observer, at the meeting at which the employee is informed of the Company's intention to discharge. Subsequent to this meeting, the employee will be provided with an opportunity to consult with a Society representative on the premises prior to departure.
- (b) In any case of discharge (except for reasons of national security) the employee shall be advised of the reason. In addition an Executive Officer of the Society (normally the President), shall be advised of the action taken. The President of the Society will be advised of the reasons for such action.
- (c) A claim that an employee has been discharged without just cause shall not be entitled to consideration or made the basis of a Grievance unless filed within fifteen (15) days after the employee has received notification (or all reasonable steps have been taken to notify the employee) of the discharge.
- (d) The Grievance Procedure in all cases of claimed wrongful discharge shall be as follows:
 - (i) the alleged Grievance shall be reduced to writing, signed by the employee and submitted to the Manager, Human Resources (Mississauga), or other designated Company representatives;
 - (ii) a hearing shall be called by the Company within five (5) working days. Society representatives as necessary and the aggrieved employees may attend; if the employees, due to conditions beyond their control

and through no fault of their own, are unable to present the Grievance in person, a Society representative may act for them;

- (iii) the Company representative will submit a written decision to the Society President within five (5) days of the hearing; if no response is made by the Society to this decision within ten (10) days, the Grievance shall be considered settled.
- (e) Should an employee be given the option of resigning or being discharged, this will be considered for the purpose of this Article as though it were a discharge.
- (f) Should an employee be discharged for reasons of national security, the Company will notify the Society President in writing. It is understood that the Company may not be able to divulge the information on which the discharge was based. In any such case the employee will be advised of the employee's rights of appeal.

The Company will, if possible, transfer the employee to other work if this would avoid the necessity for a discharge, providing the employee is capable of performing the work.

9.05 Lay-off Grievance

For cases of claimed wrongful or improper lay-off, and without prejudicing an employee's claim alleging that the lay-off is a disguised discharge, the Grievance procedure prescribed in 9.03 shall be followed with the following modifications:

- (a) the Fact-Finding Hearing is omitted; instead a meeting will be held between the Society and the Company at which the basis for the claimed improper lay-off is outlined;
- (b) the Grievance time limits shall be modified as follows:
 - (i) Step 1 meeting: held within fifteen (15) days of the grievance being submitted;
 - (ii) Company Step 1 response: within ten (10) days of the meeting;
 - (iii) Society Step 1 reply: within five (5) days;
 - (iv) Step 2 meeting: held within five (5) days of the Society Step 1 reply being returned as unsatisfactory.

9.06 Company Grievance

- (a) The Company may request a meeting with the Society for the purpose of presenting any complaint with respect to the conduct of the Society.
- (b) If such a complaint by the Company is not settled, it may be treated as a Grievance and referred to Arbitration under the provisions of Article 10.

9.07 Society Grievance

Any difference, dispute or controversy between the Society and the Company arising from matters defined in Article 9.01.

- (a) where an employee is unwilling or unable to submit a Grievance,
- (b) that affects a group of employees, or
- (c) that is a matter between the Society and the Company which does not directly affect any specific employee, may be submitted by the Society as a Grievance to the Vice President, Human Resources and thereafter dealt with as prescribed in Article 9.03.

ARTICLE 10 - ARBITRATION

10.01 Arbitrability

Questions not involving the interpretation, application, administration or alleged violation of the Agreement shall not be arbitrable.

10.02 Notice

Within fifteen (15) days after a final decision or disagreement has been announced on any Grievance properly processed under the Grievance Procedure, one of the parties may, subject to 10.01, elect to submit the matter to arbitration. Notice of Arbitration in the case against the Company shall be served by mailing or delivering a copy to the Human Resources Manager, Sheridan Park, and in the case against the Society, by mailing or delivering a copy to the President of the Society or designate. The grieving party shall endeavour to schedule the arbitration hearing within ten (10) days of notification.

10.03 Single Arbitrator

- (a) If within ten (10) days of the Notice of Arbitration being served in accordance with Article 10.02, the parties have not agreed upon a single arbitrator, the Arbitrator shall be selected from an agreed panel of Arbitrators using the following procedure: the three arbitrators following in rotation after the panel member most recently appointed shall be contacted and their availability determined; the arbitrator with the earliest availability of the three shall be selected. If the Arbitrator's date of availability is not suitable for either party, the same Arbitrator shall be used, but the Arbitration will then take place on a mutually agreed date.
- (b) The decision of the Arbitrator shall be final and binding on all parties concerned.

10.04 Costs

The cost of the services of the Arbitrator, and all other incidental costs shall be borne equally by both parties.

10.05 Timely Decision

The Arbitration Decision should be rendered as soon as possible.

10.06 Powers of the Arbitrator

The Arbitrator(s) shall have no power to add to, nor to subtract from, nor to modify the terms of this Agreement or any agreement made supplementary hereto, and shall render a decision not inconsistent with the terms of this Agreement.

The Arbitrator shall have the power to remedy a discharge, should it be deemed appropriate, through reinstatement or a monetary award without reinstatement.

10.07 Pre-arbitration Review Hearing

Within fifteen (15) days after a final decision or disagreement has been announced on any Grievance properly processed under the Grievance Procedure, either party shall notify the other party of its intent to submit the matter in dispute to an agreed third party with experience in grievance arbitration. In layoff grievances, the matter in dispute will be submitted to such third party by mutual agreement only. The requesting party shall endeavour to schedule the pre-arbitration hearing within ten (10) days. The third party will convene a Hearing at which the parties will outline the cases to be presented at Arbitration, and will advise the parties of the decision that the third party will render as an Arbitrator on facts as presented.

This opinion will be non-binding; but if the party to whom this opinion is adverse elects to continue to Arbitration, that party shall pay \$3,300.00 to the other party, in consideration of the estimated cost for two days of legal expenses, if the Arbitration Decision is also adverse.

This review process shall be in parallel with, and shall not delay, arbitration of the matter.

ARTICLE 11 - COMPETITIONS AND PROMOTIONS

The Company and the Society value the process of job postings and competitions, particularly as a means for employees to achieve job satisfaction and career development, and as a means for the Company to achieve a matching of its human resources to its work requirements while taking employee preferences into account.

Accordingly, the following general principles will apply regarding assignments, competitions and promotions:

- in general, prospective vacancies will be posted;
- the onus is on the employee to identify interest in a posted position;
- employees will be given preference over non-Bargaining Unit applicants (e.g., external hiring) for any vacancy.

11.01 Postings

All vacant positions within the Bargaining Unit which the Company wishes to fill, as well as positions to be filled at the first management level and confidential positions, shall be posted in order that employees can indicate their interest in the vacant position; transfers within a Department or assignments to a project within the assigned employee's current functional area, unless a promotion is involved in the transfer or assignment, will be the only exceptions. Such postings must occur prior to the selection of successful candidates.

The Company will not be required to hold competitions for vacant positions, except as provided for in 11.03.

11.02 Preference

An applicant from within the Bargaining Unit will be selected for a vacant Bargaining Unit position provided the applicant is considered to be qualified for and capable of performing the required duties, except as provided for in 11.03.

11.03 Competitions

- (a) Competitions will be held for positions within the Bargaining Unit, which the Company wishes to fill, except for the following:
- (i) positions to be filled by transfer within a Department or assignment to a project, unless a position promotion is involved in the transfer or assignment;
 - (ii) positions to be filled by new graduates;
 - (iii) persons entering the Bargaining Unit on the basis of newly acquired professional qualifications;
 - (iv) persons returning to the Bargaining Unit following managerial or confidential assignments;
 - (v) positions to be filled by Bargaining Unit members returning from off-site assignments;
 - (vi) in cases where a qualified individual who would otherwise be subject to lay-off is available for redeployment or is redeployed;
 - (vii) external assignments with a duration of less than one (1) year;

Should other unusual circumstances arise which could make a competition inappropriate, the Company will determine appropriate action following consultation with the Society. Urgent short-term work assignments and jobs involving specific skills, knowledge or customer preferences are examples of where competitions are likely to be waived.

- (b) Competition notices shall be posted for a minimum of 15 working days.
- (c) Qualifications (including education, experience, knowledge, skills and abilities) to perform the required duties shall be fully stated in the Internal Competition Postings and shall govern the selection of successful candidates in all competitions within the Bargaining Unit.

Where qualifications to perform the required duties are reasonably equal, considerations relating to addressing inequalities for minority groups within the Bargaining Unit may determine the selection.

- (d) Upon request, the Company will provide the Society with a list of employees who applied for a particular position. For each internal competition, the Company will inform all the applicants of the results.
- (e) Upon request, unsuccessful applicants will be provided with a post-selection interview with the hiring manager.

11.04 Transfers

To the extent that operational requirements are not jeopardized, all transfers or reassignments requiring a change of domicile shall be voluntary provided there is an alternative work assignment available for the employee and there is another employee who is willing and able to take up the assignment. Where several employees are capable and none is willing to voluntarily accept the transfer, the least senior will be assigned provided this does not conflict with operational requirements. Should the Company not assign the least senior employee, the Company will provide, with the notification of transfer/reassignment to the employee, the basis for its decision, with a copy to the Society.

11.05 Acting Positions

Bargaining Unit positions involving a promotion shall not be held in an acting capacity for more than three (3) months without a competition being held unless:

- (a) the expected return of the previous incumbent is within six (6) months; or
- (b) the previous incumbent is on training or secondment with a duration not to exceed one (1) year; or
- (c) in cases of maternity leave; or
- (d) the position will not be filled permanently as a result of a planned wind-down; or
- (e) the Company and the Society agree in a specific case to extend the term of an acting position for reasons not stated above.

11.06 Postings for Positions Outside Canada

Both SPEA and AECL recognize that providing the SPEA membership opportunities for personal growth and development within AECL's scope of business will benefit the SPEA membership and AECL. Accordingly, AECL commits to implementing a two-staged Expression of Interest process for all positions outside Canada that provides as much detail as possible so that all SPEA

members have the ability to assess opportunities. The initial stage is intended to gauge SPEA members' interest in general opportunities and will be issued once such an opportunity has been identified. Once AECL's direct scope within this opportunity has been defined Expression of Interest will be reissued (second stage) which will contain an increased level of position details.

ARTICLE 12 - GROUP INSURANCE PLANS

12.01 Medical-Hospital

- (a) The Company will provide a group Extended Health Care Plan.
- (b) The Company will pay sixty-five per cent (65%) of the premium necessary to support this plan.
- (c) The Extended Health Care plan will include vision care coverage up to a maximum of \$200.00 every twenty four (24) months per subscriber and each dependent.
- (d) The extended health care plan for employees resident in New Brunswick shall cover treatments covered by OHIP but not covered by the New Brunswick Medicare Plan.
- (e) The Company will provide group Out of Country Deluxe Travel coverage, through a rider to the current Extended Health Care Plan. Monthly premiums supporting this plan will be paid by the Company.

The Company will provide single out-of-country coverage to employees who do not subscribe to the Manulife Extended Health Care Plan.

12.02 Life Insurances

- (a) Group Life Insurance

Employees will be covered under the terms of the Manulife Policy 37984. The Company will pay one hundred per cent (100%) of the premium cost of this plan.

- (b) Supplementary Group Life Insurance

Effective 1999 June 01 all employees will be covered under the terms of the Manulife Policy 37984. The Company will pay 1/6 of the premium cost of this plan.

12.03 Long Term Disability

The Long Term Disability Plan will apply to all employees commencing employment on or after August 1, 1979 and those on strength prior to this date who have elected for coverage. Upon expiration of the Intermediate Term Coverage, participating employees will receive long-term disability benefits in accordance with Manulife Policy 37988 LTDI Section. The Company will pay fifty per cent (50%) of the premium cost of this Policy.

12.04 Dental

The Company will pay one hundred per cent (100%) of the premium cost of the Dental Care Plan. Benefits for specified major restorative services will be reimbursed at the rate of seventy-five percent (75%) of the applicable Dental Association Fee Guide for General Practitioners in the employees' province of residence. All other insured benefits will be reimbursed at the rate of eighty (80%) of the applicable Dental Association Fee Guide for General Practitioners in the employees' province of residence.

The applicable Dental Association Fee Guides for General Practitioners referenced above are the current fee guides effective when proclaimed by the Provincial Dental Association.

12.05 Continuation of Group Insurance Plan Coverage During Periods of Absence Without Pay

The following will apply to employees during periods of absence without pay in regard to continuation of group insurance plan coverage:

- (a) Medical-Hospital, Life, Long Term Disability and Dental will normally be maintained during periods of absence without pay; the employee will be informed in writing of any discontinuance of coverage and the discontinuance will be discussed with the Society President;
- (b) the Company will continue to pay the Medical-Hospital allowance and its other contributions to the premium cost of these plans in Company approved absences without pay which do not extend through a full calendar month (from first day to last day, inclusive) and in other cases where the absence without pay is due to illness or injury; in other absences without pay, the employee will normally be required to pay the full cost of these plans;
- (c) unless an alternative arrangement is made, the employees will be rebilled monthly for either their share or the total premium costs, as applicable;

- (d) should these monthly billings not be paid, the monies owing will be recovered either-
 - (i) via prorated salary deductions on the employee's return to work, or
 - (ii) from termination credits such as vacation pay if employment is terminated, or
 - (iii) other appropriate sources.

12.06 Benefits Review Committee

It is the intent of the Company to constitute, from time to time as appropriate, a Company-wide Benefits Review Committee at which SPEA will have representation. The Company will consult with employee group representatives in establishing the composition of and terms of reference for such a committee.

ARTICLE 13 - PUBLIC SERVICE SUPERANNUATION

13.01 General

Employees will continue to be covered by the Public Service Superannuation Act (Parts I and III), the Supplementary Retirement Benefits Act, and the Statute Law (Supplementary Retirement Benefits) Amendment Act of 1973 and subsequent amendments thereto, the terms of which are not subject to collective bargaining.

ARTICLE 14 - LEAVE PLANS

14.01 Vacation Leave

Vacation leave is credited to employees on the following basis, and regulations governing this leave are specified in Policies and Procedures 234.2.

- (a) New employees earn vacation leave at the rate of 9.375 hours per month (one and one quarter (1 and 1/4) days per month). After six (6) calendar months of service they are credited with vacation leave to the extent of the amount that they will earn to the end of the vacation year (March 31).

- (b) Following the same principle, employees who have completed six (6) months' or more service by April 1, will be credited with annual vacation as follows, except as noted in (c) below:

Service by April 1	Vacation Credits Effective April 1
½ but less than 6 years	112.5 hours (15 days)
6 but less than 7 years	120.0 hours (16 days)
7 but less than 8 years	127.5 hours (17 days)
8 but less than 9 years	135.0 hours (18 days)
9 but less than 10 years	142.5 hours (19 days)
10 but less than 14 years	150.0 hours (20 days)
14 but less than 16 years	157.5 hours (21 days)
16 but less than 18 years	165.0 hours (22 days)
18 but less than 20 years	172.5 hours (23 days)
20 but less than 22 years	180.0 hours (24 days)
22 but less than 23 years	187.5 hours (25 days)
23 but less than 25 years	195.0 hours (26 days)
25 but less than 27 years	202.5 hours (27 days)
27 but less than 29 years	210.0 hours (28 days)
29 but less than 31 years	217.5 hours (29 days)
31 or more years	225.0 hours (30 days)

- (c) Furlough Leave

Employees whose continuous service commenced prior to October 1, 1963, who have been or elect to be credited with five (5) weeks' Furlough Leave (see EC 234.5) on the anniversary date of their completion of twenty (20) years' continuous service, will receive five (5) days less vacation than shown in the table in 14.01 (b) for each of the five (5) years following the vacation year in which they complete twenty (20) years of service; the table in 14.01 (b) applies again beginning with the vacation year in which they complete twenty six (26) years' service.

- (d) Discontinuous Service Credit

Employees who have prior service with AECL will be credited with annual vacation as provided in 14.01 (b) on the basis of their total accumulated service. Total accumulated service shall be the sum of current service, which is eligible for vacation credit, and service in previous periods of employment with AECL, which was eligible for vacation credit.

(e) Additional Service Credit

Employees in PG-4, 5 and 6 will be credited with years of service as set out below which will be added to years of service credited under 14.01 (b) in order that the employee may gain additional vacation credits up to twenty (20) days. Beyond twenty (20) days vacation, the schedule as set out in 14.01 (b) will apply.

Grade	Years of Service
PG-4	5
PG-5	7
PG-6	9

14.02 Sickness/Disability Protection

(a) Sick Leave

Sick leave will accumulate on one of the following bases and other regulations governing this leave will be as specified in the relevant Company procedure (EC 234.3):

- (i) for those employees on strength as at July 31, 1979, who elected to continue with the sick leave provisions existing on that date, sick leave shall accumulate at the rate of one and one quarter (1 ¼) days for each month of service, provided that the employee receives salary for at least ten (10) days in each calendar month; if employees whose attendance has been satisfactory, are absent due to certifiable illness or disability and have exhausted their sick leave credits, they will be granted a limited advance of sick leave credits up to a maximum of twenty-five (25);
- (ii) those employees on strength as at July 31, 1979 who elected to enter the sickness and disability plan taking effect August 1, 1979, shall, in addition to their existing credits, receive a credit of fifteen (15) days on August 1, 1979 and subsequently a credit of six (6) days on each April 1;
- (iii) all new employees commencing employment on or after August 1, 1979 will receive a credit of fifteen (15) days on commencing employment and a credit of six (6) days on each subsequent April 1, except that those employees who commence on or after October 1 will receive a credit of three (3) days on the April 1 following;

- (iv) employees referred to in 14.02 (ii) and (iii) who are absent on the Long Term Disability Plan on April 1 will not be credited with sick leave until the April 1 following the employee's return to work; the credit will be six (6) days if the employee's return was prior to October 1 or three (3) days thereafter.

(b) Intermediate Term Sickness/Disability

Upon the expiration of sick leave credits, employees to whom (a), (ii) and (iii) applies, will receive seventy five per cent (75%) of their basic salary during their sickness or disability absence to a maximum of twenty six (26) weeks. The seventy five per cent (75%) is inclusive of benefits received from other sources. This benefit will be re-established after a return to work of two (2) weeks in the case of a recurrence of the disability, or one (1) day in the case of a new disability.

14.03 Special Leave

Special leave provides limited leave with pay when it is necessary for an employee to be absent for one of the following reasons:

- (a) illness in family-emergency or special circumstances
- (b) birth of an employee's child
- (c) death in family
- (d) marriage of employee
- (e) adoption
- (f) veterans examinations
- (g) writing of examinations

Consideration will also be given in certain other exceptional circumstances.

14.04 Leave Without Pay

In addition to those uses of Leave Without Pay set out in EC 234.5, the Company recognizes that employees may, from time to time, have a need to request leave without pay on a limited basis to meet special personal circumstances. The Company will not unreasonably deny any such requests providing:

- (a) it deems such action is consistent with achieving its work program objectives at the time such leave would apply;
- (b) the employee uses vacation credits which are in excess of the current year's entitlement in advance of such leave; and
- (c) banked time credits are exhausted in advance.

14.05 Maternity Related Leave

Eligible employees shall be granted maternity related leave in accordance with the provisions of EC 234.6 and of the Canada Labour Code. Those provisions will include the following for employees who are eligible for UIC maternity leave benefits:

- (a) where an employee is subject to a waiting period of two (2) weeks before receiving Unemployment Insurance (U.I.) maternity benefits, the Company will pay the employee, in each of these weeks, an allowance which is equivalent to the weekly U.I. benefit;
- (b) during the following fifteen (15) week period, the Company will supplement the employee's weekly U.I. benefit to the extent of 93% of the employee's weekly salary at the time of commencing maternity leave.

Company contributions to the premium costs of group insurance plans will be continued for such employees during the first seventeen (17) weeks of their maternity leave.

14.06 Personal Non-funded Leave

At the Company's complete discretion, employees with at least seven (7) years of continuous working service, may be granted personal leave without pay every seven (7) years for a period of not less than six (6) months but not exceeding twelve (12) months. The Company will not unreasonably deny such requests. Personal non-funded leave will be administered in respect of the Collective Agreement, and the Company's applicable Policies, Procedures, and practices. Specifically and, in addition, for greater clarification the following applies:

- (a) request for personal non-funded leave must be submitted at least nine (9) months in advance of the commencement of the leave;
- (b) Group Insurance Plans must be maintained during personal non-funded leave periods; employees are required to pay the full cost of all these plans;
- (c) employees are not entitled to the benefits of the Sickness/Disability Protection Program nor of those under the Long Term Disability Program, while on personal non-funded leave; Articles 12.03 and 14.02 are suspended during the period of personal non-funded leave;

The Sickness/Disability Protection Program coverage, as per Articles 12.03 and 14.02, will resume upon return to work, as scheduled at the start of the leave period; in cases of extended illness / disability, notice of layoff that might otherwise be served will be deferred until the individual's status under sickness / disability protection is established;

- (d) governing legislation will determine pension service status during periods of personal non-funded leave;
- (e) the Company will not be responsible for informing employees on personal non-funded leave about employment, promotional or training opportunities that arise during the leave period;
- (f) personal non-funded leave cannot be taken in combination with other types of leave except Maternity, Child Care and Adoption Leave;
- (g) the Company will make every reasonable effort to reinstate employees returning from personal non-funded leave in a comparable position in the same location with the same relative salary and benefits as before taking leave; however, this will not be guaranteed;
- (h) employees on notice of layoff are not entitled to personal non-funded leave; employees on personal non-funded leave may be subject to layoff except as noted in (c) above;
- (i) contravention of the Company's Conflict of Interest or Security policies, or amendments to these to the extent the employee has been kept apprised of amendments while on personal non-funded leave, are causes for immediate dismissal;
- (j) employees who are on performance monitoring at the start of their personal non-funded leave period, resume performance monitoring upon returning to work after the leave period;
- (k) employees must agree to return to work for a period at least equal to the period of personal non-funded leave;
- (l) employees may request to return to work before the end of their leave period; to do so they must obtain the Company's agreement at least one (1) month before their actual early return to work.

14.07 Other Leave Provisions

Court Leave, Accident Leave and Leave Without Pay provisions and regulations shall be on the basis specified in EC 234.5.

14.08 Disputes

Employees may submit an application for Special Leave or Leave Without Pay to the Human Resources Manager, Sheridan Park or designate in the event of a dispute with their supervisor concerning their application.

ARTICLE 15 - COMPANY HOLIDAYS

15.01 General

There shall be twelve (12) Company holidays per calendar year, to fall on Monday to Friday inclusive as follows:

New Year's Day
Good Friday
Victoria Day
St. Jean Baptiste Day (Quebec Only)
Canada Day
Company Holiday (Summertime Floater)
Civic Holiday (Except in Quebec)
Labour Day
Thanksgiving Day
Christmas Day
Boxing Day
Two (2) days following Boxing Day.

15.02 Summertime Floater

The Company Holiday (Summertime Floater) will normally be observed in conjunction with Canada Day, July 1st. However, where Canada Day falls on a Wednesday, the Company Holiday (Summertime Floater) will automatically be deferred and observed on the Friday immediately preceding the August Civic Holiday.

ARTICLE 16 - CAREER AND PROFESSIONAL DEVELOPMENT

The following principles govern career and professional development:

- the purpose of career development is to assist employees in improving their professional, technical and supervisory skills and knowledge, in order to enhance their opportunities for internal promotion, to increase the skills credited to them, and to improve their job performance by becoming better qualified;
- the individual employees retain the basic responsibility for planning, initiating and carrying through their own career and professional development;

- the Company accepts responsibility for actively promoting and guiding career and professional development as an enhancement of the Company's human resources capabilities and potential for success;
- the parties recognize the value of identifying currently available skills, as well as those potentially in shortage, through a jointly agreed skills inventory.

Consistent with the above principles, the Company and the Society agree to participate in a joint committee that will give consideration to matters of mutual interest pertaining to career and skills development. The committee will meet quarterly. Committee members will be limited to three (3) per side. The committee mandate will include identification of the impact of changing technologies, options for learning and development, and effectiveness of career and skills development programs and initiatives. In addition, the committee will also undertake a study to recommend a methodology to implement the intent of 16.01 (a) below.

16.01 Career Development

- (a) The parties agree to endeavour, within one year of the ratification of this Agreement, to jointly develop a mechanism for the appropriate distribution of career and professional development funding which shall be a minimum of 3% of bargaining unit payroll per fiscal year based on the concept of spendable individual credits, awarded annually and cumulative to an agreed maximum. These credits shall be used by employees for career and professional development purposes.
- (b) During the normal performance management and review process, the manager and the employee shall formulate a training plan to include career goals, professional development needs and preferences, and activities planned for the coming year and a review of development achievements of the current year. Following consultation with the Society, a form specific to this need shall be used.
- (c) Job Rotation

Employees may identify to their manager a desire to be transferred into other work areas, including positions outside of the Bargaining Unit, for work experience and career development. The Company shall provide favourable consideration to such requests and accommodate them wherever practicable.

16.02 Training and Development

Training and Development plans shall be developed yearly. Such plans shall reflect the Company's needs driven by the business environment, technological advancements and the employees' professional development needs. The latter shall be the result of, but not limited to, a review of such requirements during the performance review process. Input from the Society shall be sought during the formulation of the plans. Once approved, the plans shall form the basis for administering the allocated Training/Development budget. The plans shall be examined and/or updated periodically to ensure they reflect business priorities and changes to the Company and employees' needs. The approved plans and subsequent updates shall be provided to the Society as soon as they are available.

16.03 Company-Required Training/Development

Where the Company requires an employee's participation in a training program, conference, or seminar, the Company shall bear the full cost of the employee's training, and where the program entails leave of absence, such leave of absence shall be with salary and other benefits excluding overtime or other premium payments.

16.04 Employee-Initiated Training/Development

(a) Course/Conference Requiring Leave of Absence

Where an employee makes application to attend a training program, conference, or seminar which requires leave of absence, the Company may approve such leave of absence, with pay or partial pay or without pay, and/or choose to defray all or a portion of the cost of the employee's training dependent on the nature of the course and the degree to which it is career related. Where the Company undertakes to support the employee with pay or with partial pay, such payment shall be dependent upon the employee's successful completion of the training program, conference or seminar.

(b) Job-Related Courses

Job-related courses are programs of study that relate directly to an employee's present job requirements, or are anticipated to relate to job assignments in the near future or are directed towards a career-related improvement of skills. These courses are taken on an employee's own time. Reimbursement for such courses approved in advance shall be at one hundred per cent (100%) of properly receipted tuition fees, textbooks, registration and examination fees on successful completion. Consistent with the Company's commitment to enhancing knowledge of both official

languages within former AECL CANDU, reimbursement of courses in a second official language shall be one hundred per cent (100%) on the same basis as above.

(c) Papers/Conference Attendance

- (i) Employees undertaking to produce papers on their own initiative and time shall be provided with word processing support by the Company. Such papers should be registered with the Library.
- (ii) Employees required by the Company to produce papers shall additionally be provided with a reasonable time charge budget for this purpose. All authorship shall be acknowledged within the paper.
- (iii) Proposals for conference attendance shall be reviewed and shall be determined by the Technical Conference Review Panel, pursuant to the policy procedure 461.2 which shall be binding for the life of the Agreement.

16.05 Termination of Employment

- (a) Employees who receive extensive leave of absence for a training program may be required to sign a statement of intent that they shall remain in the employ of the Company for at least one (1) year after completing this program.
- (b) Termination of employment by the employee, or by the Company for just cause, prior to or during the employee's training shall nullify any remaining obligation of financial assistance by the Company in connection with the training. In case of out of station training, the Company is obliged to bring the employee to his/her current home base.

16.06 Skills Inventory System

- (a) The Company and the Society recognize the value of a reliable inventory of employee skills to be used for various purposes including human resources planning. The Company and the Society shall make every best effort to commence the work on the Skill Inventory System within three (3) months and complete within twelve (12) months of the ratification of this Collective Agreement. The principles for the Skills Inventory System remain:
 - the System shall identify the skill or skills in which each employee is deemed proficient as well as the skill in which each employee is working;

- the basis for proficiency in a skill is that the individual is capable of doing a majority of the kinds of work set out in the skill definition, by virtue of training, education, experience, knowledge, skills and abilities;
 - the System, including the skills and their definitions, shall be jointly developed and agreed;
 - the System shall be suitable for multiple uses, including manpower planning, lay-off administration, career development and marketing;
 - the employee shall be the initiating source for claimed skills;
 - a joint committee shall be formed which shall review and may decide upon the skills to be credited to an employee;
 - an appeal process with a dispute resolution mechanism (involving a third party failing any more mutually preferred outcome) shall be provided for;
 - the skills inventory shall be updated at regular intervals, and shall be available to individual employees. The skill categories for each employee shall be listed in the employee's self-service file available on the Company Intranet.
 - a hard and electronic copy of the Skills Inventory shall be sent to the SPEA Secretary on a quarterly basis.
- (b) Until any new Skills Inventory System is developed, the parties agree to use the existing Skills Inventory, updated to reflect current assignments of employees. This shall not preclude employees from claiming additional skills for which they have not been credited in the existing Skills Inventory, or disputing the skills or work classifications to which employees have been assigned.

ARTICLE 17 - PROFESSIONAL QUALIFICATIONS AND PRACTICE

17.01 Following Accepted Practices

The Company recognizes provincial regulations governing licensed professionals and follows accepted practices regarding employment of these employees. Thus the Company requires that certain positions be filled by professional employees holding membership in professional licensing bodies and that such members formally stamp documents prepared by or under the technical supervision of

themselves in the manner prescribed by the relevant licensing body. Internal competition postings and external advertisements will state these mandatory requirements. The Company will ensure that such employees are provided with facilities and other support necessary to such professional practice.

17.02 Code of Ethics

With regard to Article 17.01, such professional practice shall be in accordance with the requirements and code of ethics of the relevant professional licensing body.

17.03 Reporting to a Non-Engineer

- (a) The parties recognize that as a general principle professional employees doing technical work should be supervised and managed by persons who are professionally qualified to direct, assess and approve their work.
- (b) In unusual circumstances where professional employees are supervised or managed by an individual who would not meet the full definition under Article 1.07, the manager's and supervisor's authority will not be exercised in a manner which requires the professionals to compromise their professional expertise regarding technical matters.
- (c) Should a member of the Bargaining Unit feel that opportunities for professional development are being limited as a result of not reporting to a manager or supervisor who meets the full definition of Article 1.07, the member should discuss the matter with the next level of management. Should this not resolve the difficulty, the member should request assistance of the Society. The Society should request the Vice-President, Human Resources or designate to investigate and attempt resolution. In such circumstances, the Company will endeavour to ensure that the employee's opportunities for career development are not disadvantaged.

17.04 Signing Technical Documents

No employees are required to sign technical documents with which they disagree as a matter of professional ethics.

With regard to the question of liability, reference should be made to EC 031.6.

17.05 Authorship

Recognition of authorship or significant technical contribution by employees is given when documents are published in entirety or in part by the Company.

17.06 Publications

The Company will facilitate publication of appropriate reports or documents subject to any necessary restrictions of confidentiality.

17.07 Memberships

Where the Company requires that an employee be a member of more than one provincial professional engineering association, the Company will pay one hundred per cent (100%) of the cost of initiation and fees of the second and subsequent such membership. The Company will also reimburse one hundred per cent (100%) of the fee for an employee's membership in a technical organization where the Company requires such membership.

ARTICLE 18 - PERFORMANCE MANAGEMENT AND REVIEW

The purpose of this Article is to recognize the importance of and to promote proper performance management and review, thus enabling the employee to continually enhance performance to the benefit of career development, the accomplishments of the organizational unit and ultimately the success of the Company.

18.01 Principles

Performance Review will be governed by the following principles:

- (a) employees will have their performance reviewed annually, and discussed with them by their managers by September 30 each year;
- (b) in addition, the employees will normally have their performance reviewed prior to a transfer or change in managers;
- (c) the performance review dialogue should focus on -
 - (i) establishing a clear understanding and equitable assessment of the employee's contributions and achievements relative to the established goals, expectations and requirements;
 - (ii) recording, assessing and guiding the development of the employee's skills and capabilities;more emphasis should, however, be placed on the substance of the discussion than the format used to document it;

- (d) "Acceptable" performance constitutes the Company's standard measure, i.e., this is a level of performance which the Company is satisfied to receive, and which reflects honourably upon the employee;
- (e) general performance which is significantly below "acceptable" should give rise to a more frequent (than annual) performance review cycle as part of the effort to achieve remedial action;
- (f) the Company will not change, without prior agreement with the Society, the general Company-wide system of performance review (this is not intended, however, to restrict practices which may be unique within organizational units so long as they are within the general procedure);
- (g) If requested by either the employee or the Manager, the performance review shall be conducted in two stages, as follows:

At the first meeting, the Manager will provide input and clarification of the draft review, provide performance feedback and discuss objectives. At the end of the initial meeting the review may be finalized or a second meeting scheduled when they would have the opportunity to further discuss the review and the objectives with the intent of reaching an understanding. Should the employee disagree, then recourse as per Article 18.02 (d) is available.

18.02 Employee Entitlements

The following Performance Review entitlements shall accrue to the employee:

- (a) an employee shall have the right to a Performance Review at any time upon request;
- (b) the employee shall have an opportunity to input before a performance assessment is finalized, and to sign the final document as an indication that the contents have been read and understood; the employee's signature does not necessarily mean that the employee agrees with the assessment;
- (c) the employee may add written comments to accompany the finalized performance assessment;
- (d) where an employee disagrees with the performance assessment, the matter should be discussed with the Manager; the employee may also request, within fifteen (15) days after having received the performance appraisal report for signature, that a representative of Human Resources mediate and obtain resolution;

- (e) employees may have a copy of any of their performance assessments upon request;
- (f) the capability and performance of a new employee will be assessed on or before the completion of three (3) months of employment.

18.03 Detrimental Assessment

The status of an employee with respect to a detrimental assessment at a performance review will be a matter for discussion at the next Performance Review. When appropriate a suitable notation to offset the assessment will be recorded. If this offsetting notation has not been recorded at the time of the next merit salary review, a special Performance Review will be carried out and discussed with the employee where the employee requests it or where the detrimental assessment in question is cause for a lower merit award than would otherwise have been the case.

18.04 Disciplinary Notation

- (a) A disciplinary notation on an employee's file will be reviewed within twelve (12) months from the date on which the notation was so recorded. Provided there has not been a recurrence of the circumstances giving rise to the disciplinary notation during this twelve (12) month period, an appropriate offsetting notation shall be placed on the employee's file. A copy of the offsetting notation shall be given to the employee.
- (b) A disciplinary notation on an employee's file will be reviewed, upon request by the employee, after two (2) years from the date on which the notation was so recorded; provided there has not been a recurrence of the circumstances giving rise to the disciplinary action during this two (2)-year period, the notation, all file copies, and any references to the occurrences in other documents will be destroyed or excised. In any case, the information or occurrence shall not be used or referred to in the event of subsequent litigation or disciplinary action.

18.05 Limitations on Employee Documents

The Company will not introduce as evidence in a Hearing relating to disciplinary action any document of which the employee had not been informed at the time it was placed on file.

The contents of any written statement referring to the employee's performance, other than a Performance Review document referred to in 18.01, will be given to the employee in writing.

18.06 Access to Employee File

Employees may view their files in the presence of a Human Resources Office representative. Employees shall, on request, be given a copy of any document on their file.

ARTICLE 19 - HOURS OF WORK

19.01 General

- (a) (i) The normal work week shall be thirty-seven and one-half (37 ½) hours, Monday to Friday inclusive. The normal work day shall be seven and one-half (7 ½) hours, exclusive of the lunch period, to be worked on a flexible basis within determined time limits.
- (ii) The corresponding hours of work for employees at former AECL CANDU sites will be flexible within the following constraints:

Start Time	7:30 - 9:00
Finish Time	3:30 - 5:30
- (b) From time to time, supervisors may fix starting, finishing or lunch times in accordance with specific work requirements.

19.02 Lunch Period

The lunch period will normally be thirty (30) minutes, but a lunch period of up to sixty (60) minutes may be taken by the employee with prior notification to supervision.

19.03 Shiftwork

- (a) Circumstances may arise from time to time which necessitate shiftwork. No employee will be required to work on shift when other qualified employees are willing and available to do the work. Where an employee is required to work on shift, all reasonable effort will be made to accommodate the wishes of the employee with regard to the extent and schedule of the required shiftwork.
- (b) Employees on a schedule of hours commencing at or after 12:30 p.m. will receive a shift premium of \$1.80/hour.

Alternatively, employees on a schedule of hours commencing at or after 3:00 p.m. will receive a shift premium of \$2.30/hour.

- (c) When transfer from day status occurs, or an employee's hours of work shown on the shift schedule are to be changed, a minimum of two (2) weeks' notice shall be given. Where less notice is given, the employee shall be paid at the rate of time and one-half for the first two (2) shifts worked on the revised schedule.
- (d) Shifts will rotate on a weekly basis. A shift schedule will be posted at least one (1) week before its effective date; it will show the name of the employee and the scheduled shift. Accommodations shall be made to employees desiring a permanent shift status where such arrangements are balanced and practicable.
- (e) A posting or competition will indicate if shift work is a requirement.

19.04 Christmas Shutdown

The parties agree to make modifications to applicable provisions of the Agreement in order to permit employees to work, in advance and without overtime premiums, time equivalent to and instead of the normal working days between the afternoon of Christmas Eve and New Year's Day, should work requirements permit. The conditions for this arrangement will be determined by management in consultation with the Society.

ARTICLE 20 - SALARIES

20.01 Salary Scales - 2003, 2004 and 2005

- (a) Each employee shall be paid in one of the grades listed below; in addition, each employee shall be classified in one of the grades listed below.
- (b) Increases will be applied in the following order:
 - (i) Parity
 - (ii) Scale
 - (iii) Merit

- (c) The following salary scales will become effective on the dates indicated. The salary scales for 2003, 2004 and 2005 below incorporate a salary grade adjustment of 2%, 2% and 2% applied to the control points after parity adjustment.

2003 January 01

Grade	Minimum	Control Point	Maximum
PG1	41,100		49,900
PG2	49,900		63,100
PG3	63,200		74,800
PG4	74,100	80,500	87,800
PG5	81,300	88,300	98,100
PG6	89,500	97,400	106,100

2004 January 01

Grade	Minimum	Control Point	Maximum
PG1	42,700		51,900
PG2	51,900		65,700
PG3	65,800		77,800
PG4	77,100	83,700	91,400
PG5	84,600	91,900	102,100
PG6	93,100	101,300	110,400

2005 January 01

Grade	Minimum	Control Point	Maximum
PG1	44,500		54,000
PG2	54,000		68,300
PG3	68,400		81,000
PG4	80,200	87,100	95,100
PG5	88,000	95,600	106,200
PG6	96,900	105,400	114,900

- (d) Control Points, Minima and Maxima
- (i) Control Points for grades PG 1, PG 2 and PG 3 are the respective maxima for each grade.
 - (ii) The minima for salary grades PG 4, PG 5 and PG 6 are calculated as 92% of each grade's respective Control Points.
 - (iii) The maxima for salary grades PG 4, and PG 6 are calculated as 109% of each grade's respective Control Points.
 - (iv) The maximum for salary grade PG 5, is calculated as 111% of the Control Point.

(e) Parity

Parity increases of 2% in each year will be distributed as increases to base salaries in accordance with the table below.

Parity Table

Implementation Table for the Remaining 4/5ths of the Total Compensation Review Adjustment Agreed to in the AECL/SPEA Joint Study Agreement – Joint Committee Report.

PG Grade		Total Parity Agreed to 2002	Paid 2002 Jan 01	Remaining Parity	Payment 1 on Ratification (2003-10-27)	Payment 2 January 1, 2004	Payment 3 January 1, 2005
PG1	Min	\$2,700	\$500	\$2,200	\$800	\$800	\$800
	Max	\$3,200	\$600	\$2,600	\$900	\$1,000	\$1,000
PG2	Min	\$3,200	\$600	\$2,600	\$900	\$1,000	\$1,000
	Max	\$5,100	\$1,000	\$4,100	\$1,400	\$1,500	\$1,500
PG3	Min	\$5,100	\$1,000	\$4,100	\$1,400	\$1,500	\$1,500
	Max	\$5,000	\$1,000	\$4,000	\$1,400	\$1,400	\$1,400
PG4	Min	\$6,200	\$1,200	\$5,000	\$1,700	\$1,800	\$1,800
	Max	\$7,400	\$1,500	\$5,900	\$2,000	\$2,100	\$2,100
PG5	Min	\$6,900	\$1,400	\$5,500	\$1,900	\$1,900	\$1,900
	Max	\$8,300	\$1,700	\$6,600	\$2,200	\$2,300	\$2,300
PG6	Min	\$7,700	\$1,500	\$6,200	\$2,100	\$2,200	\$2,200
	Max	\$9,000	\$1,800	\$7,200	\$2,400	\$2,500	\$2,500

Note:

Payment 1 = 1/3 of 'Remaining Parity' rounded to the next higher \$100.

Payment 2 = 1/3 of 'Remaining Parity' escalated by 2.0% rounded to the next higher \$100.

Payment 3 = 1/3 of 'Remaining Parity' escalated by 2.0% and 2.0% rounded to the next higher \$100.

(f) Salary Adjustments

(i) Employees will have their base salary increased as follows, effective on the date of ratification (2003 October 27) 2%. Effective 2004 January 01, 2% and effective 2005 January 01, 2%.

(ii) Where the increase that would be awarded is restricted by the top of a range and promotion is not warranted, the employee's salary will be increased to the top of the range and the balance paid as a lump sum to the individual.

20.02 Merit

- (a) (i) Effective 2003 January 01, the company will distribute as merit an amount not less than 2% based on the distribution and salaries of the bargaining unit members in effect at the time of ratification (2003 October 27).
- (ii) Effective 2004 January 01, the Company will distribute as merit an amount not less than 2.0%, based on the distribution and salaries as of the preceding October 31.
- (iii) Effective 2005 January 01, the Company will distribute as merit an amount not less than 2.5%, based on the distribution and salaries as of the preceding October 31.
- (b) Salaries will be administered within each grade on a merit basis with the Control Point in each PG grade representing the salary to be paid for fully accomplished performance (standard or normal for the grade) over time. Salaries of employees will be reviewed once per year and will be increased, if appropriate, with changes effective January 01, except for those employees on semi-annual review or those who have not had their six (6) month review per 20.04.
- (c) The salary of each employee eligible for a merit review will be based on a combination of:
- performance relative to the requirements of the job;
 - the PG level of work performed (refer to the Performance Grade Guidelines at the conclusion of this Agreement);
 - the current position of the employee's salary within the grade with respect to the grade Control Point;
 - salary change recommendations for other employees, in the organization unit and/or primary functional skill area, whose performance, level of responsibility (performance grade), salary and work are comparable;
 - within the possibilities of the individuals' assignment, demonstrated commitment to quality, productivity, cost reduction, revenue generation, contribution to new business initiatives and development, and image; and
 - the total contractual commitment to spend merit funds as per 20.02 (a).
- (d) For 2003, 2004 and 2005 in accordance with (c) above, individual merit amounts will be determined according to the employee's performance rating and a Performance Pay Grid, (for consistency purposes) which will be developed by the Company in consultation with SPEA subsequent to

performance appraisals being completed. A copy of the pay grid will be provided to SPEA.

- (e) Employees who have not had their performance review done prior to the salary review or communicated to them verbally or in writing, will not receive less than the grade adjustment.
- (f) The decision to award an employee a salary increase less than the grade adjustment is at the discretion of the Company but will be subject to the following:
 - (i) merit will not be withheld because the employees have been assigned work normally done by employees at a lower PG level unless the employees assigned such work have demonstrated inability to perform at the grade level in which they are classified;
 - (ii) employees on approved job-related leave without pay, or recalled after lay-off, will normally be credited with salary adjustment(s) equal to the grade adjustment.
- (g) Maternity leave per se shall not cause a deterioration in the position of the employee's salary in respect to the Control Point.

20.03 Promotions

- (a) Review of employees' performance and the decisions to promote individuals will normally be coincident with a salary review, typically effective January 1 each year.
- (b) Progression through the PG 1 - 3 ranges is generally considered normal for a bargaining unit member, subject to typical career development and provided that the performance of the employee meets the requirements and expectations of the higher grade. On promotion, the employee's salary will be increased to no less than the minimum of the higher range.
- (c) Promotions to PG-4, PG-5 and PG-6 are limited by the Company based on the availability of work at those levels, and the capability of the employee to meet the requirements and expectations of the higher grade. On promotion, the employee's salary will be increased to no less than the minimum of the higher range.
- (d) The Society of Professional Engineers and Associates may nominate two (2) senior employees (PG6) from the bargaining unit who will participate as observers in a non-voting capacity on the Senior Promotions Committee responsible for approving promotions to PG6 when promotion cases are considered.

20.04 Salary Administration of New Hires

New employees (other than those in 20.05) will be entitled to grade adjustments which occur subsequent to the date of hire except where the Company's offer to hire indicates that the salary includes a known or anticipated grade adjustment; further, such employees will have their salaries, reviewed, normally between six (6) and twelve (12) months after their date of hire, taking into account the merit review guidelines at the previous January 1 review, and will be informed of the results of this review in writing.

The salary of each such employee will be reviewed relative to the salaries being paid to others doing work at a comparable level of responsibility, and will be increased if appropriate.

20.05 Salary Administration of New Graduates

Employees hired on the basis of newly attained (bachelor) educational qualifications recognized by the Company, will be paid during the calendar year in which they were hired at rates determined by the Company. These rates will be separate from and not subject to the general increases applying to the normal salary ranges. The salary of each such employee will be reviewed in the next calendar year effective on the January 1 and July 1 dates following hire.

Each employee's salary will be increased appropriate to performance and advancement relative to other employees performing work at comparable levels of responsibility.

20.06 Modifications to Current Salary System

- (a) Except as provided herein, there will be no changes to the system of salary administration during the life of this Agreement, unless by mutual agreement between the Company and the Society. Significant changes must be ratified by the Society membership.
- (b) The Company will provide the Society with a spending summary of the salary review, including the amounts and distribution of money spent on merit, in order that the results of the review may be evaluated by each party, within four (4) weeks of members being advised of salary adjustments.

20.07 Rounding of Calculations

All revised salaries referenced in Article 20, commencing in 1998, will be rounded to the nearest 100 dollars (\$100).

ARTICLE 21 - OVERTIME

21.01 Eligibility

Employees will receive overtime pay when all the following conditions apply:

- (a) the overtime period has been approved in advance by the manager (where this is not the case, overtime shall not be required); and
- (b) when the overtime period continues for at least one (1) hour beyond the employee's normal work day, exclusive of meal time.

21.02 Terms of Payment

Payment will be made on the following basis:

- (a) the rate paid will be time and one-half for all eligible time worked in excess of thirty-seven and one-half (37 ½) hours per week, measured to the nearest half (½) hour;
- (b) the rate of "time" will be determined by dividing the annual salary by one thousand nine hundred and fifty (1950);
- (c) a paid day away from work will be considered a normal day of work when computing overtime.

21.03 Overtime on Day of Rest or Company Holiday

- (a) Authorized work performed on the first day of rest, up to seven and one-half (7 ½) hours, shall be paid at the rate of time and one-half. Authorized work performed beyond seven and one-half (7 ½) hours shall be paid at the rate of double time.
- (b) Authorized work scheduled for and performed on a second or subsequent day of rest, or a Company Holiday, shall be paid at the rate of double time. Notwithstanding, in those instances where an employee is requested to work on the first day of rest and, to meet the convenience of one's own personal schedule, is allowed to work instead on the second or subsequent day of rest, the employee shall be paid at time and one-half for the first seven and one-half (7 ½) hours, and double time thereafter.

21.04 On-Call

On-call duty requires that the employees make themselves readily available for a specified period of time outside of their normal working hours for telephone consultation or return to work. Any request by the manager that employees be available for such consultation or return to work shall be considered on-call duty. Any person on on-call duty will receive a premium of \$30.00 for each on-call period. The on-call period shall not exceed seven and one-half (7 ½) hours in any day. No premium will be paid in respect of any duty period where the employees are found to be not readily available. The employees shall advise their managers if they cannot be available for on-call duty.

21.05 Call-In

An employee called back to work from home after the normal workday has been completed will be paid at the rate of time and one-half for hours worked, and travel time, for a minimum of two and one-half (2 ½) hours.

21.06 Overtime Requirement

It is recognized that circumstances arise from time to time, which necessitate overtime work. No employee will be required to work such overtime when other qualified employees are willing and available to undertake the work. Where an employee is required to work overtime, all reasonable efforts will be made with regard to the extent and schedule of the required overtime to accommodate the wishes of the employee.

21.07 Travel Time

- (a) The Company will make a positive effort to ensure that an unreasonable amount of travel time outside of working hours is not required in the normal schedule of employees.
- (b) Should employees be required to travel on Company business outside of normal hours of work, they shall be compensated (to the nearest half (½) hour) for such time spent in travel at the regular rate to a maximum of seven (7) hours in one (1) day, provided that such travel equals or exceeds one and one-half (1 ½) hours on a daily basis.
- (c) Employees involved in sales and marketing for whom significant travel on Company business is expected, may at the Company's discretion be designated as ineligible for overtime travel compensation as per 21.07 (b) and instead receive a fixed allowance of thirteen hundred dollars (\$1,300) per annum, paid monthly for each month or part of a month the employee is

so designated. The minimum period for such designation shall be six (6) months, or the period in which the employee remains in marketing, whichever is less. The employees will be advised in advance of their being designated.

- (d) Where an employee is seconded or attached to another organization which requires a minimum of one (1) hour additional travel time over that which is normally spent to reach and return from the regular workplace, the employee shall be compensated to the nearest half (1/2) hour for the differential at the regular rate to a maximum of two (2) hours in one (1) day.

21.08 Banked Time

Employees may accumulate time with the intention of taking equivalent time off at a later date convenient to both the Company and the employee, subject to the following:

- i) all such time must have prior approval of the manager;
- ii) the accumulation will be at a rate of no less than 1/2 hour per day beyond the standard work day of 7 1/2 hours; (however, the standard work day in effect during the period of make-up time for the Christmas shutdown will be 8 hours);
- iii) the accumulation will not exceed a ceiling of 30 hours;
- iv) authorizations for overtime and banked time are separate decisions and accumulations of banked time beyond 30 hours in total will not, by default, be treated as authorized overtime;
- v) it must be properly recorded using the Company's time sheet system;
- vi) vacation credits carried over from the previous leave year must be exhausted or committed for use before time can be banked;
- vii) banked time must be fully exhausted prior to termination;
- viii) with the agreement of their manager, employees may use banked time to arrange time off on a patterned way; the pattern shall not be more frequent than a specific day off every third week; the period open to this arrangement will be June through mid-September.

ARTICLE 22 - LAY-OFF

In the event of lay-off, the parties are agreed on two (2) basic underlying principles:

- the Company has a degree of obligation to employees who have served it for extended periods; and
- the Society recognizes that the Company must retain an effective workforce capable of and willing to perform the required work.

The provisions below are intended to embody a workable and mutually agreed balance between these two principles, and to provide adequate notice of lay-off severance compensation, and recall rights for those laid off.

22.01 Redeployment

- (a) If an employee's position is eliminated for any reason such as program changes, reorganization, or completion of job, the Company will endeavour, subject to its other commitments and responsibilities and provided the individual is capable of performing the required work by virtue of training, education, experience, knowledge, skills, and abilities, to place the employee:
 - (i) in a vacant position of equal responsibility and scope for advancement; or
 - (ii) if there is no such position available, in a vacant position of lesser responsibility or scope for advancement.
- (b) If there is no such vacant position in work units of the Company represented by the Society, the Company will identify to redundant employees vacant positions in other parts of AECL.
- (c) Redeployment involving a change of domicile will be governed by Article 11.04.
- (d) If the employee is not capable of immediately performing the required work the Company will wherever practicable provide the necessary familiarization to allow the employee to become capable of performing the work.
- (e) The Company agrees that some redundant employees may have sufficient seniority, in addition to the capacity for retraining, to qualify for retraining in other skill areas required by the Company. Such employees, who would otherwise not qualify for redeployment, will be provided up to six (6) months of on-the-job and/or formal training to acquire a new skill or skills. Employees identified for such training, up to a maximum of twenty percent (20%) of those laid off, will be selected on the basis of seniority, past performance, capacity for re- training, and compatibility of existing and new skills. During retraining, employees must continue to demonstrate continuing

development of the new skills. Employees who do not successfully acquire new skills under this program will not be eligible for further retraining.

- (f) Where a potentially redundant employee cannot be redeployed to a vacant position, a lay-off will occur on the basis of seniority in accordance with Articles 22.02 and 22.03.

22.02 Lay-off

(a) Protects

- (i) In a lay-off, the Company may protect from lay-off a limited number of employees having specific technical knowledge required by the Company, or whose performance or potential warrants their retention in the workforce.
- (ii) The number of employees so protected during a lay-off shall not exceed the total resulting from the formula:

$41 + 15\% \text{ of } (500 - \text{Number of Bargaining Unit Employees}),$

where the Number of Bargaining Unit Employees is determined as of the date of announcement of any lay-off, less the net of any additions to and deletions from the Bargaining Unit during or as a result of the lay-off process, including any transfers in or out of the Bargaining Unit occurring on or about the lay-off date.

- (iii) Employees grieving a lay-off notice shall identify less senior employees they seek to bump. The Company will then identify in its Step 1 grievance response to the Society which of the claimed individuals are protected from lay-off per (i) and (ii) above and those assigned to an extended task per 22.02(d). Should the grievor subsequently add additional claims, due to additional or incorrect information, the Company may amend the list of employees designated as protects, and advise the Society of the amendments within two (2) weeks of the additional claims. Protects and extended tasks not identified as above are not valid.

(b) General Approach

Thereafter, subject to 22.02 (d), lay-offs shall be in order of seniority within the skill areas in which employees are proficient as established through Article 16.06. That is, a redundant employee may exercise seniority to displace a more junior employee who is working in a skill area in which the more senior employee is proficient at doing the required work as established

through Article 16.06. The displaced junior employee will be treated as if the position had been eliminated as per Article 22.01.

The Company may rearrange work assignments to suit the capabilities and experience of employees remaining once the bumping process is completed. If an employee is not capable of immediately performing the required work, the Company will, wherever practicable, provide the necessary familiarization to allow the employee to become capable.

(c) Bumping into a Section Head or Other Similar Position

If an employee who holds a Section Head or other similar position is bumped on the basis of seniority, the more senior employee who does the bumping will not necessarily become the Section Head. Similarly, the more senior employee would not receive the salary of the employee displaced.

(d) Extended Tasks

(i) Where an unprotected junior employee is assigned to an extended task prior to lay-off notice being given to a more senior employee who may have a claim against the unprotected junior employee, the lay-off of the junior employee may be deferred for a maximum period of eight (8) months following lay-off notice to the more senior employee, or until the task is completed, whichever comes first.

(ii) Notwithstanding (i), where an extended task (of defined scope and duration) is for an external customer, performed in the premises of that customer, and the unprotected junior employee had started the assignment at least two (2) months prior to the lay-off notice, the lay-off of the unprotected junior employee may be deferred for the duration of the assignment, as determined by the customer, to a maximum of twelve (12) months following lay-off notice to the more senior employee. If the opportunity for further work appears contingent on a further extension, the Company will discuss the circumstances with the Society and effect the extension only with Society concurrence.

(iii) Where an unprotected junior employee had been assigned to an extended task and had been claimed against by a more senior laid-off employee in that skill area, and the unprotected junior employee is not laid off at the end of the period of extended task deferral, either the junior employee must be included in the total of protects in 22.02 (a) or the more senior employee recalled to do the continuing work (regardless of the recall period of 22.07).

(e) Inter-Site Bumping

The Company and the Society recognize that inter-site bumping is costly and may be operationally disruptive. To this end, inter-site bumping will be subject to the following conditions:

- (i) the more senior employee must be willing to accept relocation and to remain in the Company's employ in the new location for a period of at least one (1) year following relocation;
- (ii) the Company shall wherever practicable transfer the work rather than the employee;
- (iii) the viability of satellite work sites is not impaired;
- (iv) the parties will endeavour to avoid situations involving reciprocal inter-site transfers of displaced employees;
- (v) the Company guarantees that the position into which an employee moves as a result of an inter-site bump will be retained for a minimum period of one (1) year;
- (vi) the Society guarantees that individuals having completed an inter-site transfer resulting from a bump may not themselves be bumped within a period of one (1) year following completion of the transfer.

22.03 Steps Prior to Lay-off

(a) Advance Notice

Where the Company anticipates a lay-off, it shall notify the Society as far as possible in advance specifying the areas likely to be affected. Prior to the lay-off, the Company will meet with the Society to identify and resolve any potential redeployment issues and guidelines relating to the lay-off.

In addition, both parties, either in advance or during the layoff process, will discuss and consider the feasibility of alternatives to layoff (e.g. work sharing), including implementation strategy.

(b) Steps to Reduce the Extent of Lay-off

In the event of a probable lay-off situation arising, the Company will make every reasonable effort to reduce the extent of the lay-off and, subject to the Company's contractual and operational commitments, and depending on the nature and extent of the reduction in work programs, will take the following steps prior to a lay-off of employees in the Bargaining Unit:

- (i) terminate all rental or contract professional staff who hold positions which can be filled by existing Bargaining Unit members;
- (ii) cease hiring into the Bargaining Unit for positions which can be filled by existing Bargaining Unit members;
- (iii) reduce wherever possible the work done by attached staff or contracted out.

(c) Restrictions During Lay-off

No new employee shall be hired, work contracted out, or contract or rental staff engaged while Bargaining Unit members who are able to do the work are under notice or, subject to Article 22.04, on the recall list.

(d) Voluntary Separation Program

In the event of a Group Termination as defined in the Canada Labour Code, or merger with another company or companies or formation of any successor organization, the Company will engage in a voluntary separation program concurrent with or prior to the group notice period required under the Code.

Under this program an employee at any former AECL CANDU location may apply to terminate at a date agreeable to the Company and to receive termination compensation as provided for under the program. The company shall approve such applications where operational requirements are not jeopardized.

(e) Volunteering for Substitution Lay-off

Where notices of lay-off have been issued, an employee who is unaffected and working in a skill area in which an employee given notice is proficient, as established through Article 16.06, may apply to volunteer for lay-off and thus receive termination compensation per 22.08. The Company will review all such requests, but reserves the right to deny those, which are detrimental to its interests, or where the applications exceed, in a skill area, the number to be laid off. In the latter situation, the applications denied will be those received last. Where a volunteering employee is identified as being on an extended task, the lay-off may be deferred at the Company's discretion until the extended task is completed. Where a request to volunteer is accepted by the Company, it may not be reversed by the employee except with the Company's agreement. Such employees waive their recall rights per 22.07 and may not grieve their termination. For each volunteer accepted, the

senior-most employee given notice of lay-off who is proficient in the volunteer's skill area will in turn have the notice rescinded.

22.04 New Graduate Hiring

Notwithstanding the provisions of Articles 22.02 and 22.07, the Company may protect from lay-off up to ten (10) new graduates hired prior to the notice date of a lay-off. The protection for such new graduates will last for a period of twenty-four (24) months following their hiring; the number of such protected new graduate hirings in any calendar year will be determined by the number of retirements from the Bargaining Unit in the previous year, to a maximum of five (5) per year.

22.05 Notice

When an employee becomes subject to lay-off, the Company will give those individuals to be laid off as much notice as possible, and in any event, not less than:

less than 1 year continuous service	1 month
1 but less than 3 years of continuous service	2 months
3 but less than 10 years of continuous service	14 weeks
10 or more years of continuous service	4 months

22.06 Seniority

The principles governing seniority will be as follows:

- (a) seniority shall be the length of service with AECL, continuous and discontinuous, subject to the following:
 - (i) for newly hired (i.e. external to AECL) bargaining unit employees, a period of three (3) months with the Company;
 - (ii) for AECL employees entering the bargaining unit for the first time, seniority will be limited to the length of service entering the bargaining unit, plus:
 - 50% of other continuous and discontinuous service with AECL after completion of two (2) years in the bargaining unit
 - full credit of all other continuous and discontinuous service with AECL after three (3) years in the bargaining unit.
- (b) seniority in the Bargaining Unit will continue to accumulate during all Company-approved leaves of absence with or without pay, but not while on a recall list following lay-off.

22.07

Recall

The principles governing recall will be as follows:

- (a) employees who have been laid off will be retained on a recall list for a period equal to their seniority or one (1) year, whichever is less, except when they:
 - (i) request in writing to be removed from the recall list; or
 - (ii) return to work with the Company.

The Company will notify the Society accordingly.

- (b) The Company may bypass individuals on the recall list and recall another individual if:
 - (i) the Company fails to reach the individual being recalled after reasonable effort; or
 - (ii) the recalled individuals fail to notify the Company within two (2) weeks of recall of their intention to return to work within six (6) weeks of recall or such longer period as they and the Company may mutually agree; or
 - (iii) for recalls involving urgent operational requirements, the individual fails to report to work within two (2) weeks of recall;

Persons so bypassed will remain on the recall list.

The Company will notify the Society accordingly.

- (c) If a new or vacant position exists by virtue of an approved requisition, and such need is not satisfied through redeployment, individuals on the recall list who are capable of performing the required work by virtue of their training, education, experience, knowledge, skills or abilities will be offered recall in order of their seniority at the time of lay-off; should recall not satisfy the requirement, the Company may then submit the requirement first to internal competition and then to external hire if necessary.
- (d) While on a recall list, the laid-off person will not be considered an employee.

22.08 Termination Compensation

The following provisions for termination compensation in the event of lay-off will apply:

- (a) In this sub-article, service means continuous service as defined in EC 271.2, and does not include any period of service for which termination compensation has previously been granted.
- (b)
 - (i) Two (2) weeks' pay for the first year of service; plus
 - (ii) one (1) weeks' pay for each additional completed year of service; plus
 - (iii) one-twelfth (1/12) of a week's pay for each completed month of continuous AECL service in the final year of employment where this service is less than one (1) complete year;
 - (iv) the maximum entitlement under this section is thirty (30) weeks' pay.
- (c) For layoffs effected during the course of this Collective Agreement only, an Overlay provision of:
 - (i) 0.5 day's pay for each month of service to a maximum of 25 days' pay; plus
 - (ii) 1.0 day's pay for each month of service worked after the age of 45 to a maximum of 65 days' pay;
 - (iii) the parties may agree to redistribute the funds in (i) and (ii) in accordance with the demographics of any group affected by layoff.
- (d) The termination compensation entitlement shall be disbursed in full at the time of lay-off, unless the period of lay-off is less than the employee's period of entitlement; in such an instance, it would be disbursed on regular pay days in amounts approximating the normal pay that would otherwise be received on those dates, exclusive of premium payments.
- (e) Payments made to persons on layoff under (d) above will continue until the termination pay entitlement is exhausted or they are recalled, whichever occurs first. If persons on layoff are recalled before exhausting their termination pay entitlement, the unused entitlement will remain to their credit.

- (f) Employees who terminate their employment subsequent to receiving written notice of layoff, and at a mutually agreed date, will receive the balance of the termination compensation specified in 22.08 (b) and 22.08 (c) in full immediately following termination.

ARTICLE 23 - SOCIETY MEMBERSHIP

23.01 Society Conduct

The Society agrees that there will be no intimidation, interference, or coercion exercised or practised upon personnel employed by the Company by any member or representatives of the Society.

23.02 Company Conduct

The Company agrees that there will be no discrimination, intimidation, interference, or coercion exercised or practised by the Company, or its representatives, with respect to any employee because of participating in the Society or the employee exercising of any rights established by the Collective Agreement or the Canada Labour Code.

23.03 Dues Deduction

Except as provided in Article 23.06, the Company will deduct a sum equal to the current regular Society dues from the salary payments for each pay period of all employees, provided that such deductions will not start until the first full pay period of employment and to the extent that sufficient unencumbered earnings are payable to the employee.

23.04 Remittance to Society

The Company will remit the sum deducted in accordance with Article 23.03, together with a list of the employees from whom deductions have been made, to the Society at the end of each pay period. The list shall be supplied in appropriate electronic format as well as a hard copy being the copy of record.

23.05 Notification of Dues Changes to Company

The Society will be responsible for informing the Company of any change in the amount of Society dues.

23.06 Religious Exemption

Employees who satisfy the Company to the extent that they declare in an affidavit that they are members of a religious organization whose doctrine prevents them as a matter of conscience from making financial contributions to an employee organization and that they will make contributions to a charitable organization equal to dues shall not be subject to Article 23.03.

23.07 Indemnification of Company

The Society shall indemnify and hold harmless the Company against any and all liabilities, which may arise from the deductions of Society dues.

ARTICLE 24 - TERM EMPLOYEES AND CONTRACT PERSONNEL

24.01 Term Employees

In recognition of the type of service agreement that the Company provides, the Company requires flexibility to resource those needs:

(a) Usage of Term Employment

The Society recognizes that short-term situations may arise which result in peaking manpower demand, or requirements for special skills and expertise not otherwise available. In such situations, the Company may employ professional employees for specified terms to perform specific tasks, subject to the following:

- (i) the Company undertakes to keep the number of term employees to the minimum necessary to meet its operational commitments;
- (ii) the Company will first rehire employees on the recall list if they are capable of performing the required work in cases of an assignment to a client, the individual must be accepted by the client;
- (iii) the term of such arrangements shall be related to the scheduled length of the work requirement, but shall not exceed twenty-four (24) months;
- (iv) the Society will be notified of any term employees hired, specifying their name, length of contract and the nature of their work;
- (v) no permanent employee may be offered term employment.

(b) Ongoing Requirement

Where it is contemplated that there will be an ongoing requirement for such skills, the Company will ensure that permanent Bargaining Unit members are trained in that skill before the term arrangement expires.

(c) Employee Rights

During their term such employees will be members of the Bargaining Unit and all provisions of the Agreement will apply, subject to the following;

- (i) Articles 22 and 16 will not apply;
- (ii) for employees who are hired for terms of less than six (6) months duration, Articles 12.02, 12.03, 14.02 (a) (ii) (iii) (iv) and 14.02 (b) will not apply; should the term subsequently be extended to six (6) months or beyond, coverage under Articles 12.02, 12.03, 14.02 (a) (iii) and 14.02 (b) will be initiated;
- (iii) a probationary period of three (3) months will apply;
- (iv) the terms specified in the letter of offer form an extension to, and shall not conflict with, this Collective Agreement.

(d) Premature Termination

Should the Company prematurely terminate the term arrangement, the Company shall -

- (i) reimburse the employee for all reasonable costs attributable to the premature termination,
- (ii) return the employee and dependents to the point of hire if so wished, and
- (iii) provide notice of lay-off and severance compensation equal to the larger of:
 - (A) any notice and severance provided in one's term contract letter of offer;
 - OR
 - (B) the notice and severance equivalent to that set out in Articles 22.05 and 22.08, calculated on the basis of the length of one's term arrangement.

(e) Term Extension

The term employment arrangements may be renewed or extended once for a term not to exceed twelve (12) months. If the term employment is renewed or extended beyond this maximum, the term employee will automatically become a permanent employee. Otherwise employment ceases at the end of any term.

(f) Impending Lay-offs

In case of lay-off, permanent employees may, if they are capable of doing the required work, displace term employees unless the term employee has less than four (4) months left in the employee's contract. A term employee so protected shall not have the term extended or become a permanent employee when the term ends. Term employees may not displace permanent employees.

(g) Competitions

Term employees may at any time apply for a permanent position authorized for external hiring and will be considered on equal terms with other employees. If accepted for a permanent position, the term employee shall become a permanent employee.

24.02 Contract Personnel

Where the Company engages outside individuals or groups to perform professional work on the Company's premises, on a contract basis, it will do so in accordance with the following:

- (a) the involvement of such personnel will be through another company or corporation; such personnel are thus not employees of the Company;
- (b) the Company undertakes to keep the degree of such contracting to a minimum necessary to meet its overall objectives, goals and commitments; contracting will thus be used to meet work schedules, to secure special skills and expertise with the Canadian nuclear industry;
- (c) the Company further undertakes to utilize such contracting wherever appropriate to develop the skills and expertise of Bargaining Unit members;
- (d) the Company will provide the Society with a list of such contracted personnel both in appropriate electronic format and in hard copy, which is the copy of record, four (4) times per year on a quarterly basis.

ARTICLE 25 - EMPLOYEES LOCATED AND WORKING OUTSIDE CANADA

25.01 General Understanding

Subject to the laws of the country in which one is located and working, an employee who would otherwise be included in the Bargaining Unit except for the fact of being located and working outside Canada, will continue to be covered by the provisions, terms and conditions of the Collective Agreement specified in 25.02 (a), while other provisions, terms and conditions will be modified for the posting. Where the person was a Canadian resident or a Company employee within six (6) months prior to the assignment, Articles 1.01 and 1.04 governing the person's inclusion in the Bargaining unit apply. Persons who were not Canadian residents or Company employees in the previous six (6) months, engaged locally to work outside of Canada exclusively, will be excluded from the Bargaining Unit.

25.02 Applicable Terms and Conditions

- (a) Articles 3, 4, 5, 6.01, 12, 13, 14, 16, 17, 18, 20, 23, 24 and 25 of the Collective Agreement will be included in the LOU without modification unless otherwise agreed by the Society. Article 11 will apply except that employees may apply to internal competitions only in the last four (4) months of their assignment.
- (a) In case of a potential lay-off situation arising, the employee will be returned to the "point of hire" before being given notice of lay-off.
- (c) The Society will be consulted on the terms of any new LOU and the Company will provide the Society with a copy of the standard Letter of Understanding for each project together with all amendments thereto.
- (d) Any changes in an LOU during the course of the assignment, or extension thereto, must be agreed to by the employee. If agreement is not reached on changes in the LOU, the employee will complete the assignment (or extension) under the terms of the existing LOU.
- (e) No employee shall be required to commence an assignment until the terms and conditions have been agreed, and a copy of the LOU received by the employee.
- (f) For new or renewed LOU's agreed after January 1, 1990, employees located and working outside Canada shall not have their salary, bonuses or premium deducted or reduced in order to adjust for tax benefits accruing to the assignment.

- (g) The Company shall pay for any licenses, equipment, or special tools required on the assignment for use or application by the employee, which were not normally used by the employee at the normal work location.
- (h) Terms and conditions for an assignment will be made available in writing to those responding or wishing to respond to a posting or solicitation of interest, to the extent such terms and conditions are known.
- (i) Should an LOU require repatriation, and lay-off on return is contemplated, notice of lay-off shall not be issued until the individual has returned to work at the home site following the return from assignment and any appropriate leave. In such a circumstance, the Company recognizes its responsibility to provide the time and opportunity, during the period of notice, for the individual to re-integrate with local professional issues and conditions.

25.03 Dispute Resolution

Dispute resolution will be as follows:

- (a) issues in dispute are reduced to writing within 15 days of the event giving rise to the grievance;
- (b) resolution by site manager attempted within 10 days;
- (c) if (b) fails, Article 9 and 10 of the Collective Agreement come into force when the grievor resumes work in Canada.

25.04 Foreign Assignment Committee

A joint Company-Society Committee with equal representation will meet on a regular basis to advise the Company on matters related to Foreign Assignments and to recommend changes to terms and conditions of such assignments. The Committee will report jointly to the Vice-President, Human Resources and the Director of Projects.

ARTICLE 26 - EMPLOYEES TEMPORARILY LOCATED AND WORKING AWAY FROM THEIR NORMAL WORKING LOCATION

26.01 General Understanding

Employees temporarily located and working at a location within Canada away from their normal working location will continue to be covered by the provisions, terms and conditions of the Collective Agreement, with the exception of Articles 9 and 10. Should the nature of the assignment require terms and conditions different from normal travel status conditions, the Company will enter into a Letter of Understanding (LOU), which will address the terms and conditions applicable to the assignment and Articles of the Collective Agreement, which would not apply.

26.02 Applicable Terms and Conditions

- (a) The Society will be consulted on the terms of any LOU and the Company will provide the Society with a copy of the standard Letter of Understanding for each project together with all amendments thereto;
- (b) If urgency requires the dispatch of an employee prior to the finalization of the standard LOU, the employee's agreement must first be obtained, and the finalized LOU will be applied retroactively to the assignment;
- (c) In case of a potential layoff situation arising, the employee will be returned to home site before being given notice of layoff;
- (d) Any changes in an LOU during the course of the assignment, or extension thereto, must be agreed to by the employee. If agreement is not reached on changes in the LOU, the employee will complete the assignment (or extension) under the terms of the existing LOU;
- (e) The Company shall pay for any licenses, equipment, or special tools required on the assignment for use or application by the employee, which were not normally used by the employee at the normal work location;
- (f) Terms and conditions for an assignment will be made available in writing to those responding or wishing to respond to a posting or solicitation of interest, to the extent such terms and conditions are known;
- (g) Should an LOU require relocation back to the employee's normal work location, and layoff is contemplated, notice of layoff shall not be issued until the individual has returned to work at the normal work location following

return from the assignment and any appropriate leave. In such a circumstance, the Company recognizes its responsibility to provide the time and the opportunity, during the period of notice, for the individual to re-integrate.

26.03 Dispute Resolution

Dispute resolution will be as follows:

- (a) issues in dispute are reduced to writing within 15 days of the event giving rise to the grievance;
- (b) resolution by site manager attempted within 15 days;
- (c) if (b) fails, Article 9 and 10 of the Collective Agreement come into force.

26.04 Domestic Assignment Committee

A joint Company-Society Committee with equal representation will meet as required to advise the Company on matters related to Domestic Assignments and to recommend changes to terms and conditions of such assignments. The Committee will report jointly to the Vice-President, Human Resources and the Vice-President, Projects.

ARTICLE 27 - DURATION AND AMENDMENT OF AGREEMENT

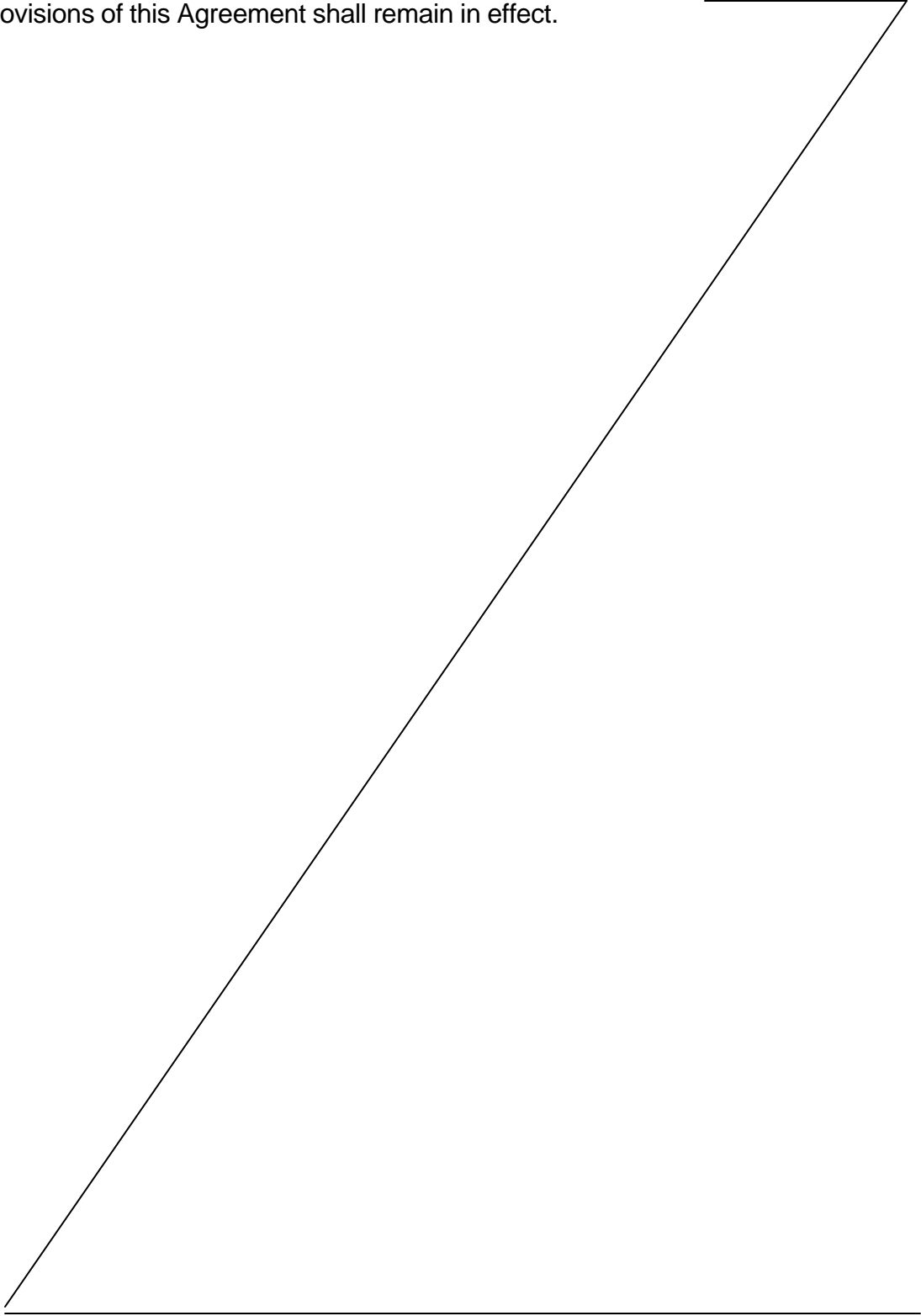
27.01 Duration

This Collective Agreement when signed by the parties hereto, shall become effective on the date of ratification, except as otherwise specified in the SPEA and AECL Resolution of October 21, 2003, and the Letter of Understanding between SPEA and AECL signed December 3, 2003, (including salary, overtime, and travel time) and shall remain in full force and effect from January 01, 2003, to December 31, 2005, and from year to year thereafter, unless amended or terminated in the manner provided under 27.02.

27.02 Amendment

Should either the Company or Society desire termination or amendment of this Agreement, the other party must be notified in writing between 2005 September 01 and 2005 September 30 inclusive, or between September 01 and September 30 inclusive in any subsequent year.

Whenever such notice of proposal to amend this Agreement is given, the nature of the proposed amendments must be specified, and until a satisfactory conclusion has been reached in the matter of such proposed amendments, the original provisions of this Agreement shall remain in effect.



IN WITNESS WHEREOF the parties hereto have thus executed this Agreement by the hands of their proper officers.

ON BEHALF OF
ATOMIC ENERGY
OF CANADA LIMITED -
ÉNERGIE ATOMIQUE DU
CANADA LIMITÉE

ON BEHALF OF THE SOCIETY
OF PROFESSIONAL
ENGINEERS AND
ASSOCIATES

M. Ingram

S. Sharma

D. Marinacci

W. Buijs

V. Bajaj

O. Jevremovic

N. Doherty

K. Khair

B. Hall

S. Singh

G. Pratapagiri

J. Richer

J. Wills

The following supplementary letters will apply for the duration of this Agreement

2003 December 18

Mr. Surinder Sharma
President
Society of Professional Engineers and Associates
2275 Speakman Drive
Mississauga, Ontario

Dear Mr. Sharma:

Conference Review Panel

Reference 1: R.J. Martin to M.M. Elgohary 1989 November 30, Conference Attendance Letter.

Reference 2: Supplementary letter from W. Capancini to F. Giudice, dated 1991 November 14.

Article 16.04(c) makes reference to the Conference Review Panel. That panel has now been formed (reference 1).

It will be chaired by a designate from Technical Resources, and will include a management representative for each of the major divisions, as well as a SPEA representative.

The Panel will:

- establish a more formal structure related to the production of papers, attendance at conferences and presentation of papers,
- approve which calls for a paper constitute a "Company requirement",
- define style and content requirements for Company sponsored papers,
- establish criteria for conference attendance against which appropriate attendance is determined,
- review proposals for conference attendance against these criteria and determine appropriate attendance in each instance. This will require an equitable balancing of the interests of the individuals put forward with those of the Company.

Through the work of the Panel, the opportunities available for Bargaining Unit members to attend conferences will be equitably distributed.

David Marinacci
Chair, AECL Negotiating Team

AGREED:

For the Society

Date

2003 December 18

Mr. Surinder Sharma
President
Society of Professional Engineers and Associates
2275 Speakman Drive
Mississauga, Ontario

Dear Mr. Sharma:

Foreign and Domestic Assignments

Reference 1: Supplementary letter from W. Capancini to F. Giudice, dated 1991 December 04.

Prior to dispatching any employee on an assignment where regular travel status as per the EC Procedures is not applicable and which exceeds three (3) months, the Company will enter into a Letter of Understanding (LOU) which will address the terms and conditions applicable to the assignment.

The Society will be consulted on the terms of any new LOU and the Company will provide the Society with a copy of the standard LOU for each project together with all amendments thereto.

If urgency requires the dispatch of an employee prior to the finalization of the standard LOU, the employee's agreement must first be obtained, and the finalized LOU will be applied retroactive to the assignment.

The LOU will address all applicable factors taking into account but not limited to the following:

- Assignment position
- Assignment location and period
- Supervisor
- Working hours
- Statutory & Company Holidays
- Vacation leave
- Accommodation
- Transportation
- Import and export of personal effects
- Motor vehicle
- Overtime
- Salary and allowances
- Assignment allowances

Foreign and Domestic Assignments (cont'd)

Relocation travel expenses and allowances
Payment in lieu of leave
Travel and hardship allowance
Income taxes
Further remuneration
Leave (special, sick, without pay, maternity, others)
Business travel
Death in the family
Medical evacuation
Training and development
Conference attendance
Travel time
Education of dependents
AECL Management Rights
Work rules
Termination
Medical examination (dental included) during and prior and following the assignment
Special provisions
Representatives
Proprietary information
Future employment
Commercial activities
Employment policies
Conditions of re-assignment upon return
Society Activity
Amendments to LOU/MOU
Banking of time
Safety of employee and dependants
Pension
Performance management
Assignment start date

This supplementary letter does not supersede Article 25 nor Article 26

David Marinacci
Chair, AECL Negotiating Team

for the Society

Date

2003 December 18

Mr. Surinder Sharma
President
Society of Professional Engineers and Associates
2275 Speakman Drive
Mississauga, Ontario

Dear Mr. Sharma:

In principle, the parties agree that should positions filled by SPEA members, be permanently transferred to the Chalk River or Whiteshell facilities, in which SPEA does not have jurisdiction, the affected employees will be given the option of transferring with their positions, having due regard for existing applicable Collective Agreements in said locations. In such instances, the employees, on transfer, will no longer be a member of the SPEA bargaining unit.

Sincerely,

David Marinacci
Chair, AECL Negotiating Team

AGREED

for the Society

Date

2003 December 18

Mr. S. Sharma
President
Society of Professional Engineers and Associates
2275 Speakman Drive
Mississauga, Ontario

Dear Mr. Sharma:

Panel of Arbitrators

SPEA agree to provide a list of six (6) names of arbitrators from which the Company will select three (3) names. Similarly, the Company will provide SPEA the names of six (6) arbitrators, from which SPEA will select three (3) names.

The names of these arbitrators are listed below, alternating from SPEA to Company selection.

- Paula Knopf
- Owen Shime
- Shirley Liang
- Brian Keller
- Russel Goodfellow
- Ted Weatherhill

The arbitrator is to be selected on a sequential basis, starting at the top of the list and continuing on a rotational basis.

If mutually agreed upon, an arbitrator may be selected out of sequence. The selection sequence will revert back to the original position for future arbitration cases.

Sincerely,

David Marinacci
Chair, AECL Negotiating Team

AGREED

for the Society

Date

2003 December 18

Mr. Surinder Sharma
President
Society of Professional Engineers and Associates
2275 Speakman Drive
Mississauga, Ontario

Dear Mr. Sharma:

No Forced Transfers

For the duration of the Collective Agreement, as an exception to Article 11.04, employees presently working in the Montreal and Fredericton Office, who have been offered a transfer to Sheridan Park, will not be forced to transfer. Should an employee choose not to transfer, the employee will instead be laid off and receive notice and termination compensation as per Article 22.05 and 22.08. In such cases, Article 22.07, recall, shall not be applicable.

David Marinacci
Chair, AECL Negotiating Team

AGREED

for the Society

Date

2003 December 18

Mr. Surinder Sharma
President
Society of Professional Engineers and Associates
2275 Speakman Drive
Mississauga, Ontario

Dear Mr. Sharma:

Section Head

The Company confirms that the presence of a Section Head during a performance review shall be at the discretion of the employee. HR will confirm with the appropriate manager, the individual employee's right in this regard.

David Marinacci
Chair, AECL Negotiating Team

AGREED

for the Society

Date

2003 December 18

Mr. Surinder Sharma
President
Society of Professional Engineers and Associates
2275 Speakman Drive
Mississauga, Ontario

Dear Mr. Sharma:

Employment Equity

Article 5.02 makes reference to an Employment Equity Committee with representation from SPEA and other employee groups. The Company will, subject to the cooperation of the other employee groups, establish this committee within ten weeks of the ratification of this contract. The committee will establish its modus operandi including the frequency of meetings.

A copy of the yearly Federal report prepared by the Company shall be provided to the Society as soon as it is prepared. A copy of this report when issued to the Federal Government shall also be simultaneously given to the Society.

David Marinacci
Chair, AECL Negotiating Team

AGREED

for the Society

Date

2003 December 18

Mr. Surinder Sharma
President
Society of Professional Engineers and Associates
2275 Speakman Drive
Mississauga, Ontario

Dear Mr. Sharma:

VTIP

This is to confirm that as agreed in the Memorandum dated October 21, 2003, SPEA and AECL will await the CIRB ruling with regard to VTIP.

Michael Ingram
General Manager, Engineering Services
Projects and Services Business Unit

AGREED

for the Society

Date

2003 December 18

Mr. Surinder Sharma
President
Society of Professional Engineers and Associates
2275 Speakman Drive
Mississauga, Ontario

Dear Mr. Sharma:

Grievances Raised after January 1, 2003

This is to confirm that as agreed in the Memorandum dated October 21, 2003, SPEA and AECL agree all grievances raised after January 1, 2003 will proceed to arbitration (if required).

For greater clarity, the grievances are those filed between January 1, 2003 and December 16, 2003, the date of the ratification. The grievances are numbers 2003-01 to 2003-70.

Michael Ingram
General Manager, Engineering Services
Projects and Services Business Unit

AGREED

for the Society

Date

2003 December 18

Mr. Surinder Sharma
President
Society of Professional Engineers and Associates
2275 Speakman Drive
Mississauga, Ontario

Dear Mr. Sharma:

Changes to Existing Practices and Privileges that Affect SPEA

This is to confirm that as agreed in the Memorandum dated October 21, 2003, AECL and SPEA will meet to discuss the process and commence the implementation of Articles 3.02 and 3.03 of the Collective Agreement.

The discussion will focus on procedural documents that are referenced in the SPEA AECL Collective Agreement and non referenced procedural documents that affect the working conditions of Bargaining Unit members.

Michael Ingram
General Manager, Engineering Services
Projects and Services Business Unit

AGREED

for the Society

Date

Letter of Understanding between SPEA and AECL

Resolution of Outstanding Non-Monetary Issues

SPEA and AECL accept the following as resolution of outstanding non-monetary issues.

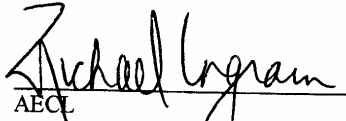
the following

1. Adjustment of the maximum of scale for senior level positions.
 - In lieu of this AECL accepts the wording in the 2003 Sept 23 SPEA Offer as listed below.
 - AECL will setup a committee within three months of ratification of this Letter of Understanding, to review promotion cases of BU members who have been in PG4 and PG5 grade for more than six years. The results of the review shall be discussed with the affected BU members. Copies of the reviews are to be provided to SPEA.
2. Competition for positions within the SPEA bargaining unit for work outside of Canada.
 - Both SPEA and AECL recognize that providing the SPEA membership opportunities for personal growth and development within AECL's scope of business will benefit the SPEA membership and AECL. Accordingly, AECL commits to implementing a two-staged Expression of Interest process for all positions outside Canada that provides as much detail as possible so that all SPEA members have the ability to assess opportunities. The initial stage is intended to gauge SPEA members' interest in general opportunities and will be issued once such an opportunity has been identified. Once AECL's direct scope within this opportunity has been defined Expression of Interest will be reissued (second stage) which will contain an increased level of position details.
3. Definitions of program for development and training funding of a minimum of 3% of BU payroll per fiscal year.
 - Both SPEA and AECL recognize that an investment in development and training is an integral part of the AECL business plan and a requirement for success. Accordingly, AECL commits to involving SPEA in the development of the Technical Succession Planning Process and the Career Development and Training Program. Additionally, AECL commits to providing SPEA with the details of the specific training planned for and provided to SPEA members.
 - Technical Succession Planning Process
 - This Process will be designed to identify AECL's engineering and technical skill requirements and implement a plan that will ensure AECL maintains its skills strength.

Protected - Commercial

- Career Development and Training Program
 - This Program will be designed to provide opportunities for personal growth while at the same time strengthening the capabilities of AECL.

Agreed: ,


AECL


SPEA DEC 03, 2003.


AECL

Date: December 3, 2003

Protected - Commercial

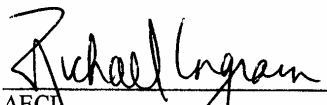
Letter of Understanding between SPEA and AECL

Resolution of Outstanding Non-Monetary Issues


Despite SPEA and AECL's best efforts to resolve all of the outstanding non-monetary issues which were part of 2003 Sept 23 SPEA Offer, the parties agree not to proceed to mediation but rather to postpone resolution of the following items until the next round of Collective Agreement negotiations.

- Work transfer to other parts of AECL and/or other companies which is traditionally performed by SPEA
- Lay-off provisions

Agreed:



AECL



AECL



SPEA

DEC 03, 2003

Date: December 3, 2003

Protected - Commercial

**REPORT OF THE
AECL/SPEA JOINT COMMITTEE ON
SPEA TOTAL COMPENSATION**

EXECUTIVE SUMMARY

A joint AECL/SPEA committee was constituted in 2000 July to conduct a review of the SPEA total compensation in accordance with a Joint Study Agreement.

The scope of this review included two key deliverables; the set of PG Grade guidelines were compared and revised to fully align with PEO level descriptors, and a comparison was made of the 1999 SPEA total compensation (cash and non cash) to that of the total compensation against equivalent grades in other organizations identified in the agreement.

The comparison of cash, total cash and total compensation was successfully completed based on a market survey undertaken by Morneau Sobeco, on behalf of the Joint Committee.

Based on its review and analysis of the information available to it, the Joint Committee has determined:

1. The SPEA total compensation value is approximately 6% less than that of the organizations participating in the survey, based on the weighted median of the survey data. Total compensation value refers to cash compensation, plus the value of non-cash elements (group insurance and pension benefits). The analysis and rationale of the established gap is presented in Section 3.0, Survey Results.
2. AECL has a competitive benefit plan, slightly above the market overall, when comparing the value of the non-cash elements of compensation to the survey results. The Joint Committee concluded that any difference in the value of total compensation is cash related and any adjustment should be made to correct the cash component of compensation. The details of these finding are presented in Section 3.0, Survey Results.
3. The PG 1, PG 2 and PG 3 grade guidelines match with PEO level descriptions for A, B and C respectively and have not changed. The Joint Committee concluded that the current PG 4 and PG 5 grade descriptions generally reflect the level of responsibility defined by PEO Levels D and E respectively, but made revisions to PG 4 and PG 5 descriptions for purposes of clarification, where required. The revised set of PG Grade descriptions for PG 4, PG 5 and PG 6 are presented in Attachment 4.
4. The PG 1-6 salary ranges for January 01, 2002 have been adjusted as described in Section 5 of the Joint Study Agreement. The remainder of the adjustment will be subject to future collective bargaining. The adjusted ranges for January 01, 2002 are presented in Section 6.1.

5. Salaries of the employees in the PG 1 to 6 salary grades will be adjusted January 01, 2002. These adjustments for the PG grades are presented in Section 6.2. The remainder of the adjustment will be subject to the next round of collective bargaining.

1. INTRODUCTION

As part of the January 01, 2000 – December 31, 2002 Collective Agreement, The Society of Professional Engineers and Associates (SPEA) and Atomic Energy of Canada Limited agreed to conduct a joint review of the SPEA total compensation. The Joint Study Agreement is referenced in Attachment 1.

In July 2000, the AECL/SPEA Joint Committee, comprised of three members each from management and SPEA, was established. The members of the AECL/SPEA Joint Committee are listed in Attachment 2.

The Joint Committee has successfully completed this review. This report presents its findings and recommendations.

2. SCOPE

The scope included two key deliverables, the PG Grade Guidelines comparison with PEO level descriptors and a Total Compensation survey together with recommendations for its implementation:

2.1 PG Grade Guidelines Comparison

This first deliverable required the Joint Committee to compare the PG Grade Guidelines with the PEO level descriptors to determine if the PG 1 to 6 Grade Guidelines match the PEO level A to F descriptors on a one to one basis and if not, revise PG Grade Guidelines to align them on a one to one basis with the appropriate PEO level descriptors to reflect engineering work in AECL.

2.2 Total Compensation Survey

This deliverable required a comparison of total compensation using the median of the SPEA total compensation (salary and benefits) in each grade to the median total compensation in equivalent grades of organizations that compete with AECL for business and/or recruitment and retention of resources with a predominance of skills represented by SPEA. The list of organizations and a list of elements included in total compensation are identified in Attachment 1 and the list of participating and non-participating organizations is found in Attachment 3.

3. SURVEY RESULTS

3.1 PG Grade Comparison

PG 1, 2 and 3

The Joint Committee determined that the PG 1, PG 2 and PG 3 grade guidelines generally reflect the level of responsibility defined by PEO Levels A, B and C respectively, and matched on a one to one basis. The PG 1, PG 2 and PG 3 grade guidelines remain unchanged.

PG 4, 5 and 6

Through a process of review and discussion, supported by feedback from an objective, third party consultant familiar with the PEO descriptions and comparison to the CSE 4 to 6 descriptions, the Joint Committee reached consensus on revisions to the PG 4, PG 5 and PG 6 Grade descriptions. The Joint Committee concluded that the current PG 4 and PG 5 grade descriptions generally reflect the level of responsibility defined by PEO Levels D and E respectively, but made revisions for purposes of clarification, where required.

The revised guidelines are attached as Attachment 4.

3.2 Total Compensation Survey

To assist the Joint Committee in completing the survey, the Committee, following a competitive bid process, engaged a consultant, Morneau Sobeco, to collect total compensation data. The organizations who agreed to participate and those who declined to participate are listed in Attachment 3.

For the purposes of this analysis the Joint Committee has looked at the weighted median values for total cash and total compensation. These results are reported in Table 1.

In analyzing the data, the Joint Committee has concluded that any difference in the value of total compensation is cash related and any adjustment should be made to correct the cash component of compensation.

Table 1

Comparison of AECL to Survey Compensation by Level (based on matching PG Grade descriptions to PEO on a one-to-one basis, weighted by population of survey participants).

	AECL Average	Survey Median	Ratio *
PG 1/PEO A			
1999 Total Cash	\$42,020	\$43,000	0.98
Total Compensation Value	56,744	56,406	1.01
PG 2/PEO B			
1999 Total Cash	\$46,721	\$51,284	0.91
Total Compensation Value	62,924	68,285	0.91
PG 3/PEO C			
1999 Total Cash	\$59,074	\$66,275	0.89
Total Compensation Value	79,164	89,592	0.88
PG 4/PEO D			
1999 Total Cash	\$69,550	\$68,957	1.01
Total Compensation Value	92,937	92,829	1.00
PG 5/PEO E			
1999 Total Cash	\$79,044	\$88,638	0.89
Total Compensation Value	104,579	113,865	0.92
PG 6/PEO F			
1999 Total Cash	\$87,460	\$98,000	0.89
Total Compensation Value	116,483	123,010	0.95

* ratio of AECL average to Survey median

4. DISCUSSION OF SURVEY RESULTS

4.1 Total Cash and Total Compensation

The Joint Committee reviewed the data compiled by Morneau Sobeco based on the median of average data and weighted average data. Overall the review indicates a total compensation gap of approximately 6%.¹

The Joint Committee was of the view, because of the limited number of observations reported and the equal weighting of each in calculating the median, that the median of average values did not represent accurately the market rates faced by AECL to compete successfully for the attraction and retention of skilled resources. In the absence of having available each individual salary rate in the survey sample, the Joint Committee determined that calculating a median value based on a weighting of the population reported by each of the participants would provide a more representative value of the survey² median. These results are reported in Table 1 above.

4.2 Non-Cash Elements of Compensation (Benefits)

The review indicates that at 104.6 % AECL provides its employees with a competitive plan, slightly above the survey median.

The value provided by AECL is greater in the areas of dental benefits, life insurance and retirement, and less in the areas for medical and disability benefits.

With regard to the medical and disability benefits, while the AECL benefit coverage is high, the contribution required of employees is higher than many of the participating organizations.

Therefore, for the purpose of adjustments the AECL benefits were considered to be at par with the survey organizations.

Illustration 1 provides a summary of the value of non-cash elements to the comparator organizations.

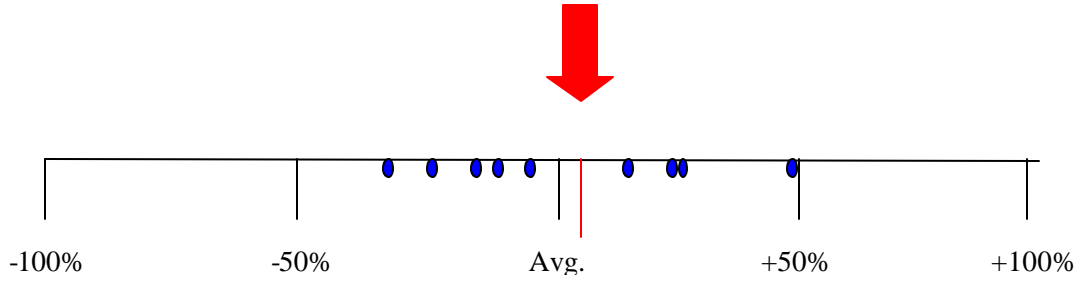
¹ compared to the 11 organizations participating, when using the “median of weighted averages”

² compared to the 11 organizations participating, when using the “median of weighted averages”

Illustration 1

Value of AECL Non-Cash Elements to Comparator Organizations

Overall Results



Overall:
AECL position: +4.6%
Median: -2.2%

Medical: - 6.7%
Dental: +20.3%
Life Insurance: +13.8%
Disability: -5.9%
Retiree Benefits: +10.3%

5. ANALYSIS

The Joint Committee, in its analysis of the survey results, used the values derived by using a “weighted median” approach. While this is not a standard way of comparing market data, the Joint Committee believes these results provide a more accurate representation of the market³ as it was in 1999.

The Joint Committee also considered other relevant data during its analysis, including the results of the 1999 PEO Survey of Employers, the 1999 CSE 1-6 salary ranges (CRPEG), some recent market developments since 1999 (the introduction of a gain sharing program at OPG in 2000), and an analysis of voluntary attrition rates for SPEA in 2000.

Based on these considerations and its analysis, the Joint Committee has fashioned the following ranges for the PG 1-6 grades for 1999 to represent the median of the comparator organizations surveyed.

PG Grade	Minimum (\$)	Control Point (\$)	Maximum (\$)
1	37,800		45,700
2	45,800		58,700
3	58,800		68,800
4	69,000	75,000	81,800
5	75,800	82,400	89,800
6	83,500	90,800	99,000

In carrying these ranges forward to 2000, 2001 and 2002 according to the provisions in the current Collective Agreement between AECL and SPEA, expiring 2002 December 31, the following ranges would result:

PG Grade	2000 Minimum (\$)	2000 Control Point (\$)	2000 Maximum (\$)
1	38,900		47,100
2	47,200		60,500
3	60,600		70,900
4	71,100	77,300	84,300
5	78,100	84,900	93,400
6	86,000	93,500	101,900

³ compared to the 11 organizations participating, when using the “median of weighted averages”

PG Grade	2001 Minimum (\$)	2001 Control Point (\$)	2001 Maximum (\$)
1	40,500		49,000
2	49,100		62,900
3	63,000		73,700
4	73,900	80,300	87,500
5	81,200	88,300	98,000
6	89,500	97,300	106,100

PG Grade	2002 Minimum (\$)	2002 Control Point (\$)	2002 Maximum (\$)
1	41,700		50,400
2	50,500		64,800
3	64,900		75,900
4	76,200	82,800	90,300
5	83,600	90,900	100,900
6	92,200	100,200	109,200

6. RECOMMENDATIONS AND POST REVIEW IMPLEMENTATION

The Joint Committee makes the following recommendations:

6.1 Salary Ranges

According to Item 5, Post Review Implementation of the Joint Study Agreement, Review of SPEA Total Compensation, should an adjustment be required as a result of the total compensation review, one-fifth of such adjustment will become effective 2002 January 01. Accordingly, the following ranges should be implemented for the PG Grades effective 2002 January 01.

PG Grade	2002 Minimum (\$)	2002 Control Point (\$)	2002 Maximum (\$)
1	39,500		47,800
2	47,900		60,700
3	60,800		71,900
4	71,200	77,400	84,400
5	78,100	84,900	94,300
6	86,000	93,600	102,000

6.2 Individual Salary Adjustments

The salaries of employees in the PG Grades should be adjusted 2002 January 01 according to Table 3, below. This adjustment is in addition to any amount provided by Article 20 of the Collective Agreement:

Table 3
Individual Salary Adjustments 2002 January 01

PG Grade	Below Control Point	At or Above Control Point
PG 1*	500	600
PG 2*	600	1000
PG 3*	1000	1000
PG 4	1200	1500
PG 5	1400	1700
PG 6	1500	1800

* Employees below the middle value in the range receive the lower amount; employees at or above the middle value receive the higher amount.

The Joint Committee arrived at its conclusion to adjust salaries as part of the post review implementation to help facilitate retention of key skilled resources, fairness and for ease of administration and communication.

Implementation of the remaining adjustment to the SPEA ranges is subject to future negotiations.

6.3 Mapping to Revised PG Grade Guidelines

- 6.3.1 It is recommended that the revised PG Grade descriptions become effective 2002 January 01.
- 6.3.2 To facilitate the smooth introduction and understanding of the responsibility requirements at the PG 4, PG 5 and PG 6 levels, it is recommended that employees retain their current classification.
- 6.3.3 It is recommended that individuals considered for promotion to PG 4, PG 5 and PG 6, as a result of the January 01, 2002 salary review, are expected to perform the requirements of the revised PG 4, PG 5 and PG 6 grade guidelines. Promotions to PG 5 and PG 6 will be referred to a Company-wide Promotions Committee to ensure fair and consistent application of the PG 5 and PG 6 grade guidelines.

REVIEW of SPEA Total Compensation

Outline

1. Objective
2. Terms of Reference
3. Scope of Review
4. Review Schedule
5. Post Review Implementation
6. Summary

1. Objective

- AECL and SPEA agree to conduct a joint objective review of the SPEA total compensation and salary classification system, and agree to accept its recommendations.
- Implementation of the SPEA total compensation review recommendations will be based on the principles of external comparability, internal equity (including CRL), productivity/performance enhancements and affordability.

2. Terms of Reference

- Total compensation package to be competitive with comparable organizations.
- Comparable Organizations include:
 - Organizations with predominance of skills represented by SPEA, including but not limited to full service organizations.
 - Organizations that compete with AECL for business and/or recruitment and retention of resources with predominance of skill represented by SPEA.
 - For the purpose of this total compensation review, the parties have agreed to include the following 17 organizations.
 - Ontario Power Generation
 - New Brunswick Power
 - Hydro Quebec
 - Atomic Energy Control Board
 - National Research Council (NRC)
 - Canatom NPM
 - Agra Monenco
 - Acres International

-
- Hatch Associates
 - SNC Lavalin
 - Stone & Webster
 - Babcock & Wilcox
 - GE Canada, Peterborough
 - SPAR Aerospace
 - CAE
 - Bombardier
 - Government of Ontario (PEGO)
-
- Compare PG Grade Guidelines with PEO level descriptors to determine if PG Grade Guidelines match with PEO level descriptors on a one-to-one basis and if not, create PG Grade Guidelines to align them with the appropriate PEO level descriptors which reflect engineering work in AECL.
 - Total compensation data for the above organizations to be obtained from appropriate surveys including but not limited to in PEO survey. This data is to cover only employees entitled to company benefits.
 - Total compensation includes all cash compensation, perks and benefits, including:
 - Base salary
 - Performance and annual bonuses
 - Cost of benefits (employer contribution)
 - Cost of pension (employer contribution)
 - Holidays, vacation and other leave
 - Overtime and travel time
 - Hours of work
 - Termination compensation
 - Training & development
 - Car/Car allowances; Parking
 - Shift premiums, on-call premiums, meal allowances
 - Health care, dental, child care, fitness clubs, benefits after retirement, severance package, payment for unused sick leave, tuition fees, summer employment
 - Safety awards
 - Profit and gain sharing payments; Stock Options
 - Prescription drugs
 - Vision care
 - Sick leave
 - Short term disability
 - Long term disability
 - Life insurance
 - Disability insurance
 - Travel Insurance

-
- The review will be completed in 12 months per Schedule Section-4 (no later than 2001 August 01)

3. Scope of Review

- review to be done by joint committee of 3 Company and 3 SPEA representatives assisted by a mutually agreed qualified consultant/consulting firm who will gather and report on total compensation data.
- Joint Committee shall not alter the Terms of Reference outlined in Section -2 or the Review Schedule outlined in Section-4.
- If needed, during the first 9 months expertise will be provided as mutually agreed to assist the joint committee - compensation specialist, facilitator, mediator, PEO representative, etc.
- Compare PG Grade Guidelines with PEO level descriptors to determine if PG Grade Guidelines match with PEO level descriptors on a one-to-one basis and if not, create PG Grade Guidelines to align them with the appropriate PEO level descriptors, which reflect engineering work in AECL.
- Salary ranges for PG grades will be established based on total compensation review per Terms of Reference.
- A joint agreed-to report documenting results of the total compensation review will be prepared and issued to both parties.
- The report will include recommendations for adjustments of SPEA grades, if necessary.
- Both parties agree to accept the recommendations of SPEA compensation review.
- Company will provide time for SPEA members.

NOTE: Company recognizes that the participation in the joint committee will require a significant commitment of time by the 3 SPEA members. This will be taken in to account when establishing assignments and priorities. The company will ensure that this commitment and participation will not have a negative influence on the performance evaluation of these SPEA members. The 3 SPEA members will enjoy equal rights and privileges with the 3 Company representatives to maintain objectivity during the review.

4. Review Schedule

• Establish joint committee	• 2 months from CA ratification and select mutually acceptable consultant/consulting firm
• Complete joint review*	• 9 months from CA ratification
• Prepare joint draft report	• 11 months from CA ratification
• Issue joint final report	• 12 months from CA ratification (no later than 2001 August 01)

*** Notes:**

- If Joint Committee is unable to reach a satisfactory agreement by month 9, a mutually acceptable third party will be retained to assist in completing the review.
- If a satisfactory joint solution is still not reached, the third party will make recommendations by month 12.

5. Post Review Implementation

- The median of SPEA total compensation in each PG Grade shall be the median of the total compensation in equivalent grade of the organizations defined in the agreed-to Terms of Reference.
- The salary range applicable to each PG Grade will be adjusted upward and/or downward according to a process mutually agreed.
- The parties agree that should there be an adjustment required, as a result of the total compensation review, one fifth (1/5) of such adjustment will be effective on 2002 January 01. The implementation of the remaining four fifths (4/5) of such adjustment will be negotiated in the next round of collective bargaining.

6. Summary

- Company will agree to:
 - Complete the review per agreed Terms of Reference and Objectives
 - Expedite and accept the SPEA total compensation review
 - Implement findings of the review as per Section – 5 above.
- If SPEA will agree to:
 - Include total compensation not just salaries
 - Complete the review per agreed Terms of Reference and Objectives.

Representing SPEA

Surinder Singh
Surinder Sharma
Paul Hnatiuk

Representing Management

David Marinacci
Basma Shalaby
Jim MacMillan

ATTACHMENT 3 – List of Participating and Non-Participating Organizations

Page 1 of 1

Participants	Non-Participants
Acres International	Agra Monenco
Babcock & Wilcox Canada	Bombardier (Aerospace)
Bombardier (Transport)	GE Canada
CAE Electronics	Hatch Associates
Canadian Nuclear Safety Commission	SNC-Lavalin
Canatom NPM	SPAR Aerospace
Government of Ontario	Stone & Webster Canada
Hydro Quebec	
National Research Council of Canada	
New Brunswick power	
Ontario Power Generation	

The following Performance Grade Guidelines are for the information of employees but are not part of the Agreement or subject to its grievance or arbitration procedures.

Note for all levels: These performance grade guidelines are intended to be applicable as well as to non-engineering professionals. Where reference to engineer or engineering are used, it is intended to apply, where appropriate, to the professional equivalent.

PG 1, Assistant Engineer I

Salary grade for employees entering former AECL CANDU who have the minimum education qualifications as outlined below and who have had little or no practical experience.

- initial "on-the-job" training and orientation begins at this level as well as initial work experience.
- assignments, normally performed under close supervision of an engineer in an upper grade, are of low complexity and are frequently designed to develop work knowledge and capabilities in a field of engineering methods and standard Company practices.
- routine tasks include specific instructions and details with respect to expected results and may include elementary technical surveys or inspections, preparation of simple plans, designs or drawings, costing, recording observations, calculations and operation of computer programs.
- work is in accordance with established codes, standards and specifications.
- complex problem solving is not a feature of this level.
- technical decisions involving choice of action within clearly defined guidelines for procedure and practice and there are ample precedents to reference.
- work is checked in progress and upon completion.
- there is no requirement to supervise others; although checking of work of support staff may be required occasionally.
- minimum qualifications are bachelor graduation in engineering or honours science from a university recognized by the Company and/or eligible for membership in a provincial engineering association. No practical continuing experience is required.

PG 2, Assistant Engineer II

A satisfactory level of learning and development will be a prerequisite for entry into the PG 2 grade from PG 1.

- training and development are continued at this "basic" working level.
- more varied tasks and studies assigned will be of limited scope and complexity and may be portions of broader assignments. Tasks are expected to be completed within assigned budgets and schedules.
- duties require a familiarity with the application of standard
- techniques, prescribed engineering testing, analysis, design and computation methods, procedures and criteria including knowledge of codes and standards in carrying out engineering tasks or a sequence of tasks.
- normally, detailed oral and/or written instructions are given as to methods and procedures to be followed.
- technical/supervisory guidance is available to resolve more difficult aspects and select the procedures to be applied on non-routine work.
- decisions made are limited within established guidelines.
- results are usually reviewed.
- accuracy and completeness in calculations, clear presentation of results, etc. is expected; errors would usually be detected before any serious consequence results.
- occasionally may be given assignments commensurate with the PG 3, Engineer level for training and development purposes.
- may give technical guidance to one or two other Assistant Engineers I or technical support employees assigned to work on a common project.
- education requirements are as per the Assistant Engineer I plus a minimum of two years practical continuing experience or a Masters degree.

PG 3, Engineer

In this level, the employee is considered to be at the fully qualified working level.

- independently evaluates, selects and applies standard engineering techniques, procedures and criteria using judgement in making minor adaptations and modifications.
- assignments have clear and specified objectives requiring investigation of a limited number of variables.
- assignments normally include system and equipment design and
- development, design modification, investigation of design difficulties, test of materials, preparation of specifications, process study, cost estimating and preparation of reports, review of vendor's documentation, investigation of manufacturing and installation difficulties.
- may be assigned project engineering responsibilities on a technical or commercial endeavour of moderate scope.
- work is limited in scope and generally related to one field or discipline of engineering, although a knowledge of related fields of engineering and an appreciation of the impact of the work on other areas may be required.
- completed work is generally accepted as technically accurate and in compliance with policies and procedures and is reviewed for soundness of judgement and feasibility.
- work objectives are specific and supervision is usually general; the details of the work are not normally closely supervised but this may vary with the assignment. Technical guidance is available to review work programs and advise on unusual features of the assignment.
- supervision of other engineers is not a continuing responsibility at this level. However, the engineer's capabilities in this area may be tested at this level.
- may give technical guidance to Assistant Engineers I and II or support employees assigned on a common project.
- normally required to plan, schedule and manage own time, including taking into account the plans of others.
- education requirements as per Assistant Engineer I plus three to five years practical experience.
- the PG 3, Engineer grade represents the first career level.

PG 4, Senior Engineer, Project Engineer or Section Head

Promotion to PG 4 depends upon the availability of continuing assignments at this grade level in addition to technical and/or supervisory proficiency. This is the first level of direct and sustained supervision of other professional engineers, OR the start of the specialization process, applying mature engineering knowledge in planning and conducting projects with scope for independent accomplishment and coordination of difficult and responsible assignments. Assignments may include a combination of engineering and supervisory work.

Senior Engineer or Project Engineer

- independently performs assignments with instructions about the general results expected.
- fully competent in the conventional aspects of at least one engineering field or discipline.
- plans and conducts own work requiring initiative and independent judgement.
- develops new concepts or proposes substantial design modifications to meet functional requirements.
- devises new approaches to problems in the engineering speciality.
- develops, plans, schedules, conducts or co-ordinates detailed phases of the engineering work in part of a major project or in a total project of considerable scope.
- work involves conventional engineering practice but may include a variety of complex features such as conflicting design requirements, unsuitable standard materials and difficult co-ordination requirements.
- assesses the feasibility and soundness of proposed engineering methods.
- applies broad knowledge of precedents in the engineering discipline or field and a good knowledge of the principles and practices of related disciplines or fields.
- recommendations are normally accepted as technically accurate and feasible and are reviewed with regard to their overall soundness of judgement.
- as project engineer has prime responsibility to co-ordinate work of considerable technical and commercial complexity or co-ordinates substantial aspects of large-scale projects. Defines work scope, communicates client requirements, monitors and reports progress.

PG 4, Senior Engineer, Project Engineer or Section Head (cont'd)

- work is assigned in terms of objectives and relative priorities.
- as Senior Engineer, provides technical guidance and leadership to engineers at lower grade levels and/or other technical employees.
- provides guidance on important technical matters.

Section Head

- PG 4 is the first grade at which the supervision of other engineers is normally assigned as a continuing responsibility. In this context performs part of the Senior Engineer's work, plus some or all of the following:
- plans, co-ordinates, and supervises an engineering section involved in a technical issue or several smaller engineering assignments with complex features requiring application of intensive and diversified knowledge of engineering principles and practices in related fields. Reviews technical documents prepared by employees supervised. Prepares inputs into and monitors budgets, estimates, schedules, work packages. Co-ordinates with other groups as required to establish interfaces.
- may be required to use advanced techniques and/or modify theories, precepts, guides and practices in his/her own field.
- may conduct work having scope for individual achievement and hands on participation in difficult technical work.
- assigned problems may make it necessary to modify established guides, devise new approaches and form conclusions from comparable situations.
- makes independent decisions on engineering problems and methods for persons supervised.
- represents the section in meetings dealing with problem resolution and the planning and co-ordination of work. May be delegated to represent the branch or department on occasion.
- as Section Head, recommendations of section are reviewed for soundness of judgement; modifications to standard designs and decisions are subject to management review.
- supervises, co-ordinates and reviews the work of engineers and support employees; estimates and monitors schedules and assigns work to meet completion dates.

PG 4, Senior Engineer, Project Engineer or Section Head (cont'd)

- consistent with the foregoing, provides input or makes recommendations to management with respect to performance appraisal of and leave for employees supervised and may be called upon to provide input or make recommendations concerning selection, training and discipline.

PG 5, Specialist Engineer, Project Specialist Engineer or Senior Section Head

Entry into the PG-5 grade is as a result of a promotion. The criteria for this grade level are based on the degree and importance of continuing in-depth technical work assigned or size and complexity of the supervisory or project co-ordination undertaking, or a combination of hands on and supervisory work; and maintaining the overall high quality of engineering expected in the PG 5 grade.

Specialist Engineer or Project Specialist Engineer

- performs duties of a substantially higher responsibility and greater complexity than those required of PG-4 engineering (reference PG-4 profile) including most of the following additional aspects:
- recognized as an AECL specialist engineer in a particular field of CANDU engineering and maintains liaison with organizations inside or outside the Company.
- may act as an authority in one or more engineering specialties for a type of facility or equipment, or a program function. May be given full responsibility for packages of work including technical content, cost, schedule and delivery.
- may be delegated to represent the Company in the development of engineering standards and/or technical forums in his/her area of responsibility.
- may participate in operational planning process.
- supervision and guidance received is related largely to overall work objectives, critical issues and new concepts. Work is reviewed for consistency with policy and procedures.
- as project specialist, has prime technical and commercial interface with the client and AECL engineering and commercial groups on projects of substantial scale and complexity. Precisely defines work scopes. Clarifies client requirements as regards AECL inputs. Reviews AECL work to ensure client requirements are being met and initiates any necessary corrective action. Reports on technical and financial progress.

PG 5, Specialist Engineer, Project Specialist Engineer or Senior Section Head (cont'd)**Senior Section Head**

- performs duties of a substantially higher responsibility than those required of PG-4 section head (reference PG-4 profile) with increased levels of negotiating responsibility with clients or suppliers.
- normally supervises a larger group involved in a major technical issue or resolving an engineering problem of major proportion and significance to the organization.
- in the PG-5 grade, the complexity of assignments requires demonstrated important achievements (at PG-4 level), a marked capacity for sound independent action or decision-making, and a very specialized understanding of a complex area of engineering.

PG 6, Principal Engineer

Entry into the PG-6 grade is as a result of a promotion. For promotion to PG-6, the individual will have demonstrated a significant impact on the technical direction and commercial success of Company programs. With a proven record of achievement and/or leadership, they will have demonstrated that they are a unique Company resource, recognized as the authority or corporate resource in a core technology area and who operate with a wide degree of latitude in the development and application of a core technology area.

- plans and develops engineering projects concerned with unique and difficult or complex problems which have an important effect on major company programs.
- conceives and develops programs and long-range technical plans, establishing objectives and priorities. Defines technical direction, devising methods of achieving program objectives in the most economical and effective manner.
- explores the subject area, defines the scope and selection of problems for investigation and develops novel concepts and alternatives.
- provides specialized advice of an advanced technological nature. Acts as final technical authority in interpretation and evaluation of data obtained from various engineering investigations. May act as engineering consultant and adviser to the organization.

PG 6, Principal Engineer (cont'd)

- contributes to the growth of engineering services and knowledge and keeps conversant with advanced technological trends and developments.
- makes responsible decisions on all matters within his/her jurisdiction, including establishment of technical direction, along with its development and commercialization as required to meet overall Company policy.
- receives administrative direction based on Company policies and objectives. Work is reviewed for adherence to company policy, and coordination with other functions.
- directs, reviews and evaluates technical work; selects schedules and coordinates to maintain program objectives.
- provides recommendations on the recruitment and training of competent specialized staff and input into the selection and appraisal of staff as required.